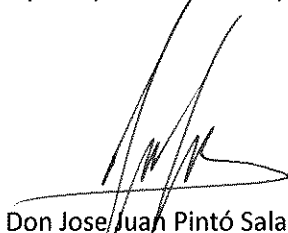




**DON JOSE JUAN PINTÓ SALA**, en su calidad de Secretario no consejero de Almirall S.A.,

Se manifiesta que el 21 de febrero de 2022 se remitió a la CNMV la información financiera Individual y Consolidada correspondiente al ejercicio 2021 en su versión en Español. Se acompañaba a dicha información parte de la misma en inglés. Que no todos los documentos disponibles traducidos al inglés por parte de Almirall, se remitieron en el envío realizado el día 21 de febrero de 2022. Para completarlo, se adjunta a este escrito todos los documentos disponibles en su versión en Inglés.

Y para que conste se expide el presente Certificado en Barcelona, a 3 de Marzo de 2022



Don Jose Juan Pintó Sala

Secretario no consejero del consejo de Administración de Almirall S.A.



**MR. JOSÉ JUAN PINTÓ SALA**, as Secretary-non-member of the Board of Almirall S.A.

It is stated that on February 21, 2022, the Individual and Consolidated Financial Information corresponding to the 2021 financial year was sent to the CNMV in its Spanish version. Said information was accompanied by part of it in English. Not all the available documents translated into English by Almirall were sent in the shipment made on February 21, 2022. All the documents available in the corresponding English version are attached to this file.

This certificate is issued in Barcelona, 3<sup>rd</sup> of March 2022

Mr. José Juan Pintó Sala

Secretary-non-member of the Board of Almirall S.A. (non-member)



This document contains the following elements:

1. Auditor Report *(English translation)*
2. Consolidated Financial Statements *(English translation)*
3. Consolidated Directors' Report *(English translation)*
4. Informe de verificación independiente del EINF *(Spanish only)*
5. Statement of Non-Financial Information *(English translation)*
6. Informe Anual de Gobierno Corporativo *(Spanish only)*
7. Informe Anual sobre Remuneraciones de los Consejeros *(Spanish only)*
8. Informe del auditor sobre SCIIF *(Spanish only)*

All those documents are available in the Spanish version of the accounts reported to the CNMV.

21<sup>st</sup> February 2022.

***Translation of documents originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails***



# Auditor's Report on Almirall, S.A. and subsidiaries

(Together with the consolidated annual accounts  
and consolidated directors' report of Almirall,  
S.A. and subsidiaries for the year ended 31  
December 2021)

*(Translation from the original in Spanish. In the  
event of discrepancy, the Spanish-language  
version prevails.)*



KPMG Auditores, S.L.  
Torre Realia  
Plaça d'Europa, 41-43  
08908 L'Hospitalet de Llobregat  
(Barcelona)

## **Independent Auditor's Report on the Consolidated Annual Accounts**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

To the Shareholders of Almirall, S.A.

### **REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS**

#### **Opinion**

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We have audited the consolidated annual accounts of Almirall, S.A. (the "Parent") and subsidiaries (together the "Group"), which comprise the consolidated balance sheet at 31 December 2021, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

#### **Basis for Opinion**

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We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Assessment of the impairment of goodwill and intangible assets

See notes 8 and 9 to the consolidated annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Goodwill and intangible assets detailed in notes 8 and 9 to the accompanying consolidated annual accounts (goodwill of Euros 316 million and intangible assets of Euros 916 million at 31 December 2021), represent approximately 58% of total assets.</p> <p>We focus on this area due to the relevant carrying amount of these items and because the evaluation of their recoverable amounts made by the Parent's management and Directors, entails significant judgements and estimates, principally on the estimated future business results.</p> <p>As indicated in note 9 to the accompanying consolidated annual accounts, during 2021 the activity of the subsidiary Almirall, LLC has been negatively affected by the aspects described in that note. This has led to a reduction in the financial outlook of the variables for the coming years with regard to those foreseen in the previous business plan and a re-assessment of the business plan for future years. Impairment testing based on the new revised business plan has entailed the recognition of a total impairment loss of Euros 91 million on intangible assets in 2021.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>– Evaluating the design and implementation of the internal control relating to the process of assessing the impairment of goodwill and intangible assets.</li><li>– We involved valuation specialists for the following procedures:<ul style="list-style-type: none"><li>○ Evaluating the discount rate applied.</li><li>○ Analysing the reasonableness of the valuation methodology using discounted cash flows used to calculate the recoverable amount.</li></ul></li><li>– Querying the valuation methodology using a sensitivity analysis regarding the key assumptions on estimated net sales, the growth rate in perpetuity and the discount rate, and comparing the results with the recognised amount.</li><li>– Evaluating the Group's capacity to calculate the cash flow projections, comparing historical projections with actual results and the business plans approved by Group management.</li></ul> <p>We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.</p>

## Recoverability of deferred tax assets

See note 22 to the consolidated annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As indicated in note 22 to the accompanying consolidated annual accounts, at 31 December 2021 the Group has recognised deferred tax assets for a total of Euros 192 million. This amount represents 9% of total assets and primarily comprises Euros 182 million of deductions generated for research and development to be applied to corporate income tax by the Spanish tax group.</p> <p>The recoverability of these deferred tax assets is analysed on a yearly basis by Parent management and Directors in line with the best estimate of taxable income for the next 10 years. This is deemed to be a reasonably foreseeable deadline, even though some of the deductions expire on dates after this period. Therefore, management has prepared projections of the Spanish tax group's estimated results.</p> <p>The analysis of the recoverability of deferred tax assets is considered a key matter of our audit because it requires a significant degree of judgement and estimate as tax gains depend on future tax profits and there are inherent uncertainties regarding the forecasts, which form the basis for assessing recoverability.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessing the design and implementation of internal control over the recognition and measurement of deferred tax assets.</li> <li>Evaluating that the Spanish tax group's projected results are in line with the business plans.</li> <li>Querying the main key assumptions on growth rates and on profit margins that support these projections and the degree of fulfilment of the business estimates referring to the Spanish tax group in the current year.</li> <li>We contrasted the key calculation assumptions in the future application of the tax credits in accordance with prevailing tax legislation applicable for coming years.</li> </ul> <p>We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.</p>

## Valuation of the financial assets deriving from the transaction with AstraZeneca

See note 12 to the consolidated annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As a result of the transaction with AstraZeneca in November 2014, Almirall, S.A. signed an agreement with AstraZeneca UK Limited whereby it transferred the rights to part of its respiratory franchise, as well as the personnel for commercialisation thereof. This transaction represented the sale of a business.</p> <p>Upon signing this sale transaction, it was agreed that cash amounts and other deferred amounts would be received based on the fulfilment of certain commercial milestones and the volume of future sales of licensed products estimated until 2035.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessing the design and implementation of internal control over measurement of the financial asset.</li> <li>Evaluating the process followed by management for determining the probabilities, as well as the financial assumptions used to measure the financial asset.</li> <li>Assessing the assignment of probabilities of success to the different milestones, taking into account historical experience.</li> <li>Evaluating the discount rate applied.</li> </ul>

**Valuation of the financial assets deriving from the transaction with AstraZeneca**

See note 12 to the consolidated annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>In view of the specific characteristics of the payment for the sale of this business, a financial asset was recognised for future receivables, measured at fair value through consolidated profit or loss. The initial valuation was made based on a study prepared by an independent expert, which the Group updates internally at each reporting date with changes in fair value recognised against the consolidated income statement for the year.</p> <p>As indicated in note 12 to the accompanying consolidated annual accounts, this financial asset amounts to Euros 98 million (non-current portion of Euros 79 million and current portion of Euros 19 million) at 31 December 2021. The valuation of this financial asset is subject to relevant judgements and estimates by management. Note 7 to the consolidated annual accounts indicates the terms of the main calculation assumptions, as well as a sensitivity analysis thereon. Given the significance of the amounts, as well as the level of judgement and estimate required to determine the value in the consolidated balance sheet at the reporting date, we consider this to be a key audit matter of our audit.</p>	<ul style="list-style-type: none"><li>– Assessing the projections for future sales of licensed products, based on the historical sales information provided by AstraZeneca UK Limited.</li><li>– Querying the valuation methodology using a sensitivity analysis regarding the key assumptions and comparing the results with the recognised amount.</li></ul> <p>We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.</p>





## **Other Information: Consolidated Directors' Report**

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Other information solely comprises the 2021 consolidated directors' report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors' report is defined in the legislation regulating the audit of accounts, as follows:

- a) Determine, solely, whether the consolidated non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.
- b) Assess and report on the consistency of the rest of the information included in the consolidated directors' report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2021, and that the content and presentation of the report are in accordance with applicable legislation.

## **Directors' and Audit Committee's Responsibility for the Consolidated Annual Accounts**

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The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.



## **Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts\_**

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.
- Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

We communicate with the audit committee of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit committee with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated to the audit committee of the Parent, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **European Single Electronic Format**

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We have examined the digital files of Almirall, S.A. and its subsidiaries for 2021 in European Single Electronic Format (ESEF), which comprise the XHTML file that includes the consolidated annual accounts for the aforementioned year and the XBRL files tagged by the Company, which will form part of the annual financial report.

The Directors of Almirall, S.A. are responsible for the presentation of the 2021 annual financial report in accordance with the format and mark-up requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the "ESEF Regulation").

Our responsibility consists of examining the digital files prepared by the Directors of the Parent, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the consolidated annual accounts included in the aforementioned digital files fully corresponds to the consolidated annual accounts we have audited, and whether the consolidated annual accounts and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined fully correspond to the audited consolidated annual accounts, and these are presented and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

## **Additional Report to the Audit Committee of the Parent**

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The opinion expressed in this report is consistent with our additional report to the Parent's audit committee dated 18 February 2022.

## **Contract Period**

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We were appointed as auditor of the Group by the shareholders at the ordinary general meeting on 7 May 2021 for a period of three years, beginning after the year ended 31 December 2021.

KPMG Auditores, S.L.  
On the Spanish Official Register of  
Auditors ("ROAC") with No. S0702

*(Signed on the original in Spanish)*

Juan Ramón Aceytuno Mas  
On the Spanish Official Register of Auditors ("ROAC") with No. 16084  
18 February 2022

**Almirall, S.A. and Subsidiaries**  
**(Almirall Group)**

Consolidated Financial Statements for the year ending on 31 December 2021, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union

*(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).*

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

**Almirall, S.A. and Subsidiaries (Almirall Group)**

**CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31**

(Thousands of Euros)

<b>ASSETS</b>	<b>Note</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Goodwill	8	315,966	315,966
Intangible assets	9	916,056	1,009,536
Right-of-use assets	10	20,033	19,320
Property, plant and equipment	11	117,413	113,548
Financial assets	12	80,502	86,518
Deferred tax assets	22	192,500	256,476
<b>NON-CURRENT ASSETS</b>		<b>1,642,470</b>	<b>1,801,364</b>
Inventories	13	118,632	130,151
Trade and other receivables	14	127,671	111,295
Current tax assets	22	34,054	72,646
Other current assets		11,531	9,991
Current financial investments	12	899	6,025
Cash and cash equivalents	12	206,487	159,642
<b>CURRENT ASSETS</b>		<b>499,274</b>	<b>489,750</b>
<b>TOTAL ASSETS</b>		<b>2,141,744</b>	<b>2,291,114</b>

<b>LIABILITIES AND EQUITY</b>	<b>Note</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Subscribed capital	15	21,573	21,374
Share premium	15	295,785	273,889
Legal reserve	15	4,275	4,189
Other reserves	15	1,023,609	983,126
Valuation adjustments and other adjustments	15	(44,409)	(48,797)
Translation differences	15	26,065	(5,095)
Profit for the year		(40,859)	74,280
<b>EQUITY</b>		<b>1,286,039</b>	<b>1,302,966</b>
Deferred income	16	-	17,406
Financial debts	17	359,692	224,345
Non-current liabilities from leasing	10	14,162	13,482
Deferred tax liabilities	22	75,852	117,382
Retirement benefit obligations	20	77,883	85,641
Provisions	19	24,505	35,899
Other non-current liabilities	18	22,618	19,434
<b>NON-CURRENT LIABILITIES</b>		<b>574,712</b>	<b>513,589</b>
Financial debts	17	12,314	248,300
Current liabilities for leasing	10	6,278	6,262
Trade payables	18	177,800	162,143
Current tax liabilities	22	19,471	21,460
Other current liabilities	18	65,130	36,394
<b>CURRENT LIABILITIES</b>		<b>280,993</b>	<b>474,559</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,141,744</b>	<b>2,291,114</b>

Explanatory Notes 1 to 34, which are attached, as well as the Appendix, are an integral part of the consolidated financial statements as of 31 December 2021.

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

**Almirall, S.A. and Subsidiaries (Almirall Group)**

**CONSOLIDATED INCOME STATEMENT**

**FOR THE YEAR ENDING ON DECEMBER 31**

(Thousands of Euros)

	<b>Note</b>	<b>Fiscal year 2021</b>	<b>Fiscal year 2020</b>
Net turnover	21	827,195	807,427
Other Income	21	9,305	7,062
<b>Operating income</b>		<b>836,500</b>	<b>814,489</b>
Work carried out on fixed assets	9	8,932	4,941
Supplies	21	(181,752)	(177,442)
Staff costs	21	(188,420)	(177,004)
Depreciation	9, 10 & 11	(119,937)	(123,085)
Net change in valuation adjustments	21	2,728	(3,750)
Other operating expenses	21	(247,584)	(229,005)
Net gains (losses) on disposal of assets	21	(13,871)	(649)
Impairment losses on property, plant and equipment, intangible assets and goodwill	9	(90,844)	(16,197)
<b>Operating profit</b>		<b>5,752</b>	<b>92,298</b>
Financial income	21	493	1,579
Financial expenses	21	(20,600)	(18,003)
Exchange rate differences	21	2,044	(742)
Valuation gains on financial instruments	17 & 21	3,226	4,106
<b>Earnings before tax</b>		<b>(9,085)</b>	<b>79,238</b>
Corporate income tax		(31,774)	(4,958)
<b>Net profit for the year attributable to the Parent Company</b>		<b>(40,859)</b>	<b>74,280</b>
Earnings / (Loss) per Share (Euros):	25		
A) Basic		(0.23)	0.42
B) Diluted		(0.23)	0.42

The Notes 1 to 34 explained in the Notes to the Consolidated Financial Statements and the Appendix are an integral part of the consolidated financial statements for the year ending on 31 December 2021.

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

**Almirall, S.A. and Subsidiaries (Almirall Group)**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDING ON DECEMBER 31**  
(Thousands of Euros)

		Fiscal year 2021	Fiscal year 2020
	Note		
<b>Profit for the year</b>		<b>(40,859)</b>	<b>74,280</b>
<b>Other comprehensive income:</b>			
<i>Items not to be reclassified to income</i>			
Retirement benefit obligations	20	6,185	(7,232)
Income tax on items that will not be reclassified	22	(1,797)	2,025
Others		-	-
<b>Total items not to be reclassified to income</b>		<b>4,388</b>	<b>(5,207)</b>
<i>Items that can be reclassified subsequently to income</i>			
Other changes in value		-	(59)
Foreign currency translation differences	15	31,160	(43,617)
<b>Total items that can be reclassified subsequent to income</b>		<b>31,160</b>	<b>(43,676)</b>
<b>Other comprehensive income for the fiscal year, net of tax</b>		<b>35,548</b>	<b>(48,883)</b>
<b>Total comprehensive income for the year</b>		<b>(5,311)</b>	<b>25,397</b>
<b>Attributable to:</b>			
- Owners of the parent company		(5,311)	25,397
- Non-controlling interests		-	-
<b>Total comprehensive income attributable to owners of the parent company derived from:</b>			
- Continuing operations		(5,311)	25,397
- Discontinued operations		-	-

The Notes 1 to 34 explained in the Notes to the Consolidated Financial Statements and the Appendix are an integral part of the consolidated financial statements for the year ending on 31 December 2021.



(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

**Almirall, S.A. and Subsidiaries (Almirall Group)**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDING ON DECEMBER 31**  
(Thousands of Euros)

	Note	Subscribed capital	Share premium	Legal reserve	Other reserves			Other comprehensive income		Profit attributable to the Parent Company	Equity
					Other reserves of the Parent Company	Treasury shares of the Parent Company	Consolidation reserves	Valuation adjustments to equity	Translation differences		
<b>Balance as of 1 January 2020</b>	<b>15</b>	<b>20,947</b>	<b>241,011</b>	<b>4,172</b>	<b>914,155</b>	<b>(1,773)</b>	<b>774</b>	<b>(43,531)</b>	<b>38,522</b>	<b>105,909</b>	<b>1,280,186</b>
Distribution of profits		-	-	17	191,509	-	(85,617)	-	-	(105,909)	-
Dividends	24	427	32,878	-	(35,434)	-	-	-	-	-	(2,129)
Treasury shares of the Parent Company	15	-	-	-	-	(488)	-	-	-	-	(488)
Total comprehensive income for the year		-	-	-	-	-	-	(5,266)	(43,617)	74,280	25,397
<b>Balance as of 31 December 2020</b>	<b>15</b>	<b>21,374</b>	<b>273,889</b>	<b>4,189</b>	<b>1,070,230</b>	<b>(2,261)</b>	<b>(84,843)</b>	<b>(48,797)</b>	<b>(5,095)</b>	<b>74,280</b>	<b>1,302,966</b>

	Note	Subscribed capital	Share premium	Legal reserve	Other reserves			Other comprehensive income		Profit attributable to the Parent Company	Equity
					Other reserves of the Parent Company	Treasury shares of the Parent Company	Reserves in consolidated companies	Valuation adjustments to equity	Translation differences		
<b>Balance as of 1 January 2021</b>	<b>15</b>	<b>21,374</b>	<b>273,889</b>	<b>4,189</b>	<b>1,070,230</b>	<b>(2,261)</b>	<b>(84,843)</b>	<b>(48,797)</b>	<b>(5,095)</b>	<b>74,280</b>	<b>1,302,966</b>
Distribution of profits		-	-	86	9,625	-	64,569	-	-	(74,280)	-
Dividends	24	199	21,896	-	(33,841)	-	-	-	-	-	(11,746)
Treasury shares of the Parent Company	15	-	-	-	-	130	-	-	-	-	130
Total comprehensive income for the year		-	-	-	-	-	-	4,388	31,160	(40,859)	(5,311)
<b>Balance as of 31 December 2021</b>	<b>15</b>	<b>21,573</b>	<b>295,785</b>	<b>4,275</b>	<b>1,046,014</b>	<b>(2,131)</b>	<b>(20,274)</b>	<b>(44,409)</b>	<b>26,065</b>	<b>(40,859)</b>	<b>1,286,039</b>

The Explanatory Notes 1 to 34, which are attached, as well as the Appendix, are an integral part of the consolidated financial statements for the year ending on 31 December 2021.

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

**Almirall, S.A. and Subsidiaries (Almirall Group)**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDING ON DECEMBER 31**

(Thousands of Euros)

	Note	Fiscal year 2021	Fiscal year 2020 (*)
<b>Cash Flow</b>			
Earnings before tax		(9,085)	79,238
Depreciation	9, 10 & 11	119,937	123,085
Valuation adjustments for impairment	9	90,844	16,197
Net gains (losses) on disposal of assets	21	13,871	649
Financial income	21	(493)	(1,579)
Financial expenses	21	20,600	18,003
Exchange rate differences	21	(2,044)	742
Changes in fair value of financial instruments	21	(3,218)	(4,106)
Impacts of the AstraZeneca transaction:			
Incorporation of deferred income AstraZeneca transaction	16 & 21	(17,402)	(52,246)
Change in fair value of financial assets AstraZeneca	12 & 21	(6,934)	(57,020)
		<b>206,076</b>	<b>122,963</b>
<b>Adjustments for changes in working capital:</b>			
Change in stocks	13	13,338	(25,329)
Change in trade and other receivables	14	(13,112)	105,976
Change in trade payables	18	11,000	(57,503)
Change in other current assets		3,357	(3,195)
Change in other current liabilities		(8,754)	(1,564)
<b>Adjustments for changes in other non-current items:</b>			
Other non-current assets and liabilities		(1,553)	(2,312)
		<b>4,276</b>	<b>16,073</b>
<b>Cash flow from taxes:</b>		<b>23,500</b>	<b>(26,279)</b>
<b>Net cash flows from operating activities (I)</b>		<b>233,852</b>	<b>112,757</b>
<b>Cash flow from investment activities</b>			
Interest receivable		28	1,082
Investments:			
Intangible assets	9 & 18	(52,338)	(64,635)
Property, plant and equipment	11	(18,814)	(11,891)
Financial assets	12	(282)	(518)
Divestments:			
Receivables linked to the contract with AstraZeneca (*)	12	13,994	52,007
Financial assets	12	157	438
<b>Net cash flows from investment activities (II)</b>		<b>(57,255)</b>	<b>(23,517)</b>
<b>Cash flow from financing activities</b>			
Interest payable	17	(6,130)	(6,536)
Equity instruments:			
Dividends paid	24	(11,746)	(2,129)
Acquisition/Disposal of own equity instruments	15	596	(82)
Financial instruments:			
Issuance of bonds and other marketable securities	17	294,411	-
Repayment of bonds and other marketable securities	17	(250,000)	-
Repayment of debts with credit institutions	17	(154,488)	(16,882)
Financial leasing payments	10	(7,772)	(8,289)
Others		251	(6,948)
<b>Net cash flows from financing activities (III)</b>		<b>(134,878)</b>	<b>(40,866)</b>
<b>Net change in cash and cash equivalents (I+II+III)</b>		<b>41,719</b>	<b>48,374</b>
<b>Cash and cash equivalents at the start of the reporting period</b>	<b>12</b>	<b>165,667</b>	<b>117,293</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>12</b>	<b>207,386</b>	<b>165,667</b>

(\*) Balances for the year 2020 have been reclassified as mentioned in the Note 2-c).

The Explanatory Notes 1 to 34, which are attached, as well as the Appendix, are an integral part of the consolidated financial statements for the year ending on 31 December 2021.

**Almirall, S.A. and Subsidiaries (Almirall Group)**

Notes to the Consolidated Financial Statements  
for the year ending on 31 December 2021  
(Thousands of euros)

## **1. Activity of the Group**

Almirall, S.A. is the parent company of a Group of companies (hereinafter, the Almirall Group), which is made up of the subsidiaries listed in the Appendix attached to these annual financial statements, the corporate purpose of which consists basically of the purchase, manufacture, storage, marketing and mediation in the sale of pharmaceutical specialities and products, as well as of all types of raw materials used in the preparation of such pharmaceutical specialities and products.

Accordingly, the Parent Company's corporate purpose also includes:

- The purchase, manufacture, storage, marketing and mediation in the sale of cosmetics and of chemical, biotechnological and diagnostic products for human, veterinary, agrochemical and food use, as well as of all kinds of instruments, complements and accessories for the chemical, pharmaceutical and clinical industry.
- Research on active chemical and pharmaceutical ingredients and products.
- The purchase, sale, rental, subdivision and development of plots, land and estates of any nature, with the option of choosing to construct or dispose of these, in full, in part or under the horizontal property regime.
- The provision of prevention services for the undertakings and companies participating in the company pursuant to Art. 15 of Royal Decree 39/1997, of 17 January, which establishes the Prevention Services Regulations, and implementing regulations. This activity may be regulated and carried out jointly for related and participating companies pursuant to Art. 21 of the aforementioned legal text. It is expressly stated that, according to the law, this activity does not require administrative authorisation. This activity may be subcontracted to other specialised entities pursuant to Art. 15 of Royal Decree 39/1997.
- To direct and manage the Company's participation in the share capital of other entities through the appropriate organisation of human and material resources.

Pursuant to the Parent Company's articles of association, the aforementioned corporate purpose may be pursued, in whole or in part, directly by the Parent Company itself or indirectly through shareholding or equity interests, or any other rights or interests in companies or other types of entities, with or without legal personality, with registered office in Spain or abroad, which engage in activities identical or similar to those included in the Parent Company's corporate purpose.

Almirall, S.A. is a public limited company listed on the Spanish Stock Exchanges and included in the Spanish continuous market (*SIBE*). Its registered office is located at Ronda General Mitre, 151, Barcelona (Spain). Its headquarters is located at the same address (Ronda General Mitre, 151).

## **2. Basic principles of presentation of the consolidated financial statements and of consolidation**

### **a) Financial reporting regulatory framework applied to the Group**

The consolidated financial statements of the Almirall Group for the year ending on 31 December 2021, which have been obtained from the accounting records kept by the Parent Company and by the other entities comprising the Group, were prepared by the Parent Company's Administrators on 18 February 2022.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, taking into consideration all mandatory accounting principles and rules and valuation criteria, as well as the Spanish Code of Commerce, the Spanish Capital Companies Act and other applicable commercial legislation, so that they give a true and fair view of the equity and financial position of the Almirall Group on 31 December 2021 and of the results of its operations, of the changes in consolidated equity and of the changes in other consolidated comprehensive income and of the consolidated cash flows that have taken place in the Group in the fiscal year ending on that date.

The consolidated financial statements have been prepared using the historical cost method, modified with respect to the recording of financial instruments at fair value, as required by accounting regulations.

**Almirall, S.A. and Subsidiaries (Almirall Group)**

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However, since the accounting principles and valuation criteria applied in the preparation of the Group's consolidated financial statements for 2021 may differ from those used by some of the Group companies, the necessary adjustments and reclassifications have been made in the consolidation process in order to standardise such principles and criteria and to bring them into line with International Financial Reporting Standards (IFRS).

The Group's consolidated financial statements for 2020 were approved by the Parent Company's General Shareholders' Meeting held on 7 May 2021. These consolidated financial statements for the Group for fiscal year 2021 are pending approval by the Parent Company's General Shareholders' Meeting. Nevertheless, the Parent Company's Board of Directors expects that these consolidated financial statements will be approved without any changes.

**b) Adoption of International Financial Reporting Standards**

The consolidated financial statements of the Almirall Group for the year ending on 31 December 2005 were the first to be prepared in accordance with International Financial Reporting Standards, as established in Regulation (EU) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002. In Spain, the obligation to present consolidated financial statements under IFRS approved in Europe was also regulated in Final Provision Eleven of Law 62/2003, of 30 December, on fiscal, administrative and social measures.

The main accounting policies and valuation standards adopted by the Almirall Group are presented in Note 5.

With respect to the application of IFRS, the main choices made by the Almirall Group are as follows:

- To present the consolidated balance sheet by classifying its elements as current and non-current.
- To present the consolidated income statement by classifying its elements by type.
- To present the consolidated cash flow statement using the indirect method.
- To present income and expenses in two separate statements: a consolidated income statement and a consolidated comprehensive income statement.

As detailed below, new accounting standards (IAS/IFRS) and interpretations (IFRIC) entered into force in 2021. Furthermore, as of the date of preparation of these consolidated financial statements, new accounting standards (IAS/IFRS) and interpretations (IFRIC) have been published and are expected to come into force for accounting periods beginning on or after 1 January 2022.

*Standards, amendments and interpretations are mandatory for all FYs beginning on or after 1 January 2021:*

IBOR Phase-2 Reform and Exemption from the temporary application of IFRS 9 with IFRS 4.

*Standards, amendments and interpretations that have not yet entered into force but may be adopted in advance:*

At the date of preparation of these consolidated financial statements there are no standards, amendments and interpretations by the IASB or the IFRS *Interpretations Committee* that can be applied in advance.

*Standards, amendments and interpretations of existing standards that cannot be adopted in advance or have not been adopted by the European Union*

At the date of preparation of these consolidated financial statements, the IASB and the *IFRS Interpretations Committee* had published the standards, amendments and interpretations detailed below, which are pending adoption by the European Union:

Amendments to IAS 37 "Provisions, contingent liabilities and contingent assets": Provisions for contracts for pecuniary interest; amendments to IAS 16 "Property, plant and equipment": Consideration prior to intended use; amendments to IFRS 1 "First-time adoption of IFRS" on exceptions to the treatment of translation differences; amendments to IFRS 9 "Financial instruments" to determine the costs of changes to financial liabilities; and other amendments in relation to the classification of liabilities

**Almirall, S.A. and Subsidiaries (Almirall Group)**

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as current or non-current, definitions of accounting estimates, details of accounting policy and deferred tax arising from assets and liabilities with origin in a one-off transaction.

As indicated above, the Group has not considered the early application of the Standards and interpretations detailed above, and in any case the Group is analysing the impact that these new standards/amendments/interpretations may have on the Group's consolidated financial statements, should they be adopted by the European Union.

**c) Comparison of information:**

There have been no significant changes in the composition of the Group that would significantly affect the comparability of the balance sheet figures as of 31 December 2021 with those as of 31 December 2020. The same is true of the comparability of those in the consolidated income statement for the fiscal year ending on 31 December 2021 with those for the fiscal year ending on 31 December 2020. In this regard, the Group has changed the classification criteria for the cash flows associated with the proceeds from the sale made in previous years to AstraZeneca (see Note 12), and these proceeds will now be classified as investment cash flows in the comparison year 2020.

Regarding the impact of COVID-19, the main impacts that could affect the comparability of the information in these consolidated financial statements are detailed in Note 33.

**d) Functional currency**

These consolidated financial statements are presented in euros, since this is the currency of the main economic environment in which the Group operates. Foreign operations are recorded in accordance with the policies described in Note 5-r).

**e) Estimates**

The consolidated income and the determination of consolidated equity are sensitive to the accounting principles and policies, valuation criteria and estimates used by the Parent Company's Administrators in preparing the consolidated financial statements. In the consolidated financial statements for the year ending on 31 December 2021, estimates made by the Group's management and by the management of the consolidated entities were occasionally used and subsequently ratified by the Parent Company's Administrators in order to quantify certain assets, liabilities, income, expenses and obligations that are reported in the estimates. Basically, these estimates refer to:

- Impairment losses on certain items from property, plant and equipment, intangible assets and goodwill arising from the non-recoverability of the carrying amount recorded for these assets (Notes 5-d), 7-e), 8 and 9).
- The useful life of intangible assets and of the property, plant and equipment (Notes 5-0 and 5-c)).
- Evaluation of the recoverability of deferred tax assets (Note 22).
- The fair value of certain unlisted financial assets (Note 5-j), 7-a) and 12).
- Definition of the precise assumptions for determination of the actuarial liability for the retirement benefit obligations in coordination with an independent expert (Note 5-l)).

Although these estimates were made on the basis of the best information available on 31 December 2021 about the events analysed, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in subsequent years, which, in accordance with IAS 8, would be done prospectively, recognising the effects of the change in estimate on the corresponding consolidated income.

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**3. Principles of consolidation and changes in the scope of consolidation**

**a) Principles of consolidation**

The accompanying consolidated financial statements have been prepared from the accounting records of Almirall, S.A. and of the companies controlled by it. The financial statements of the latter are prepared by the administrators of each company.

The subsidiaries of the Almirall Group that are detailed in the Appendix have been included in the consolidation process.

Subsidiaries are all entities over which the Group exercises control. The Group controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the investee entity and has the ability to influence those returns through the power to direct the entity's relevant activities. Subsidiaries are consolidated from the date on which control is transferred to the Group. They cease to be consolidated starting from the date on which control ceases.

The criteria followed to determine the consolidation method applicable to each of the companies comprising the Almirall Group have been of full consolidation, since these are companies in which the direct or indirect shareholding is greater than 50% and over which the Group exercises effective control due to the majority of votes in their representative and decision-making bodies. Consequently, all significant balances and effects of transactions between consolidated companies have been eliminated in the consolidation process.

The consolidation of the results generated by the companies acquired in the course of a fiscal year is handled by including only those results for period between the date of acquisition and the end of that fiscal year. At the same time, the consolidation of the results generated by the companies disposed of in a fiscal year is carried out by including only those results for the period between the beginning of the fiscal year and the date of disposal.

When necessary, the financial statements of subsidiaries are adjusted so that the accounting policies used are consistent with those used by the Group's Parent Company.

When the Group ceases to have control, any retained interest in the entity is revaluated at fair value on the date that control is lost, with the change in the carrying amount recognised in income. The fair value is the initial carrying amount for purposes of subsequent accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amount previously recognised in other comprehensive income for that entity is recognised as if the Group had sold the related assets or liabilities directly. This could mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated income statement.

In addition, the accompanying consolidated financial statements do not include the tax effect that might arise as a result of including the income and reserves generated by the subsidiaries in the equity of the Parent Company, since, pursuant to IAS 12, as the Parent Company controls its subsidiaries, it is considered that no transfers of reserves giving rise to additional taxation will be made and, if may happen, it would not be significant.

A list of subsidiaries and information related with them (including their name, country of incorporation and the Parent Company's percentage of shareholding in their capital) are provided in the Appendix to these Notes to the consolidated financial statements.

As of December 31, 2021 and 2020, two of the companies included in the scope of consolidation are considered inactive (Almirall Europa Derma, S.A. -formerly Almirall Aesthetics. -formerly called Almirall Aesthetics. S.A.- and Laboratorios Tecnobío S.A.). There are no other companies outside the consolidation perimeter.

**b) Variations in the scope of consolidation**

During the years ending on 31 December 2021 and 2020, there has been no change in the companies included within the Group's scope of consolidation.

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#### **4. Flexible dividend**

When a dividend is approved, which may be settled in cash or through the issuance of bonus shares, at the investor's option, i.e. delivery of shares for a determined value, the Group recognizes the corresponding liability with a charge to reserves for the fair value of the free allocation rights delivered. If the investor chooses to subscribe for bonus shares, the Group recognizes the corresponding capital increase. If the investor chooses to receive the dividend, the Group derecognizes the liability with a credit to cash paid.

At the date of preparation of these consolidated financial statements, the Board of Directors of Almirall, S.A. has agreed to propose to the General Shareholders' Meeting the distribution of a dividend charged to unrestricted reserves for the amount of €34.2 million (equivalent to €0.19 per share). For the purposes of this dividend distribution, it is proposed to use the "Flexible Dividend" shareholder remuneration system, which has already been applied in previous years. In this system, the shareholders are offered an alternative option that allows them to receive bonus shares in the Parent Company without limiting their option to receive an amount of cash equivalent to the dividend payment (see subsequent event indicated in Note 34).

#### **5. Accounting criteria**

The consolidated financial statements of the Group for the year ending on 31 December 2021 have been prepared by the Parent Company's Administrators in accordance with International Financial Reporting Standards (IFRS), as approved by the European Union pursuant to Law 62/2003 of December 30.

The main valuation standards used to draw up these consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and also with the interpretations in force at the time these consolidated financial statements were prepared, were as follows:

##### **a) Goodwill**

The Group applied the exception provided for in IFRS 1 "First-time Adoption of International Financial Reporting Standards" and therefore only business combinations carried out on or after January 1, 2004, the date of transition to IFRS-EU, were recorded using the acquisition method. Acquisitions of entities made prior to that date were recorded in accordance with the previous generally accepted accounting principles, after taking into account the necessary corrections and adjustments at the transition date.

The Group has applied IFRS 3 "Business Combinations" as revised in 2008 for transactions carried out on or after January 1, 2010.

In business combinations, the Group applies the acquisition method.

The excess between the consideration given and the net amount of assets acquired and liabilities assumed, less the value assigned to non-controlling interests, is recorded as goodwill.

The Group recognizes the assets acquired and liabilities assumed at their fair value at the date of acquisition.

Goodwill is not amortized but is tested for impairment on an annual basis or earlier if there are indications of a potential loss in the value of the asset. For these purposes, the goodwill resulting from the business combination is allocated to each of the Group's cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the combination and the criteria referred to in section d) (impairment) of this Note are applied. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

Internally generated goodwill is not recognized as an asset.

##### **b) Intangible assets**

Intangible assets are initially recognised at acquisition cost (separately or through a business combination) or at production cost and subsequently measured, when appropriate, at their cost minus accumulated amortisation and any impairment losses.

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They may have an "indefinite useful life" when, based on an analysis of all relevant factors, it is concluded that there is no foreseeable limit to the period during which they are expected to generate net cash flows for the consolidated entities; in all other case they will have a "finite useful life".

Intangible assets with indefinite useful lives are not amortised, although, at the end of each reporting period, the consolidated entities review their respective remaining useful lives to ensure that they continue to be indefinite or, if not, to proceed accordingly.

Intangible assets with finite useful lives are amortised on the basis of their useful lives, applying criteria similar to those adopted for the amortisation of property, plant and equipment, and these criteria are basically equivalent to the following amortisation rates (determined on the basis of the average years of estimated useful life of the various items):

	Annual percentage
Industrial property	6%-10%
Computer applications	18%-33%

The consolidated entities recognise any impairment loss on the carrying amount of these assets with a charge to "Impairment losses on property, plant and equipment, intangible assets and goodwill" in the consolidated income statement. The criteria for recognising impairment losses of these assets and, when applicable, reversal of impairment losses recorded in previous years are similar to those applied for property plant and equipment (Note 5-d)).

*Development costs*

- Internal development

The costs of research activities are recognised as an expense in the period in which they are incurred.

Expenses incurred internally as a result of the development of new drugs by the Group are only recognised as assets if all of the following conditions are met or can be demonstrated:

- It is possible from the technological standpoint to complete the production of the drug so that it can be made available for use or sale.
- There is an intention to complete the development of the drug in question for use or sale.
- There is capacity to use or sell the drug.
- The asset will generate economic benefits in the future. Among other things, the existence of a market for the drug that has been developed or for the development itself can be demonstrated, or, if it is to be used internally, then the usefulness of the development for the Group is proven.
- The availability of adequate technological, financial or other resources to complete development and to use or sell the drug resulting from ongoing development.
- The ability to reliably measure the expenditure attributable to this development until its completion.

The development of new drugs is subject to a high degree of uncertainty due to the long maturation period of the drugs (usually several years) and of the technological results obtained in the different testing phases of the development process. In any of the different stages of the development process, it may be necessary to abandon development, either because the new drugs do not meet medical and regulatory standards or because they do not adhere to profitability thresholds. For these reasons, the Group considers that the uncertainty is only overcome once the developed product is approved by the competent authorities in a relevant market. From this moment on, the Group considers that the conditions for the capitalisation of development expenses have been met.

Development costs with a finite useful life that are eventually recognised as an asset are amortised starting from the product's regulatory approval on a straight-line basis over the period in which it is expected to generate benefits.

During fiscal years 2021 and 2020, development costs of €8.9 million and €4.9 million, respectively, have been capitalised for projects related to products that are currently being commercialised in various markets (Note 9).



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- **Separate acquisition**

The acquisition separately or through a business combination of an ongoing research and development project is always capitalised pursuant to Para. 25 of IAS 38, since the price paid for the acquisition reflects expectations about the probability that the future economic benefits of the asset will be realised by the Group; in other words, the price paid reflects the probability of success of the project. When the Group acquires intangible assets with payments contingent on future events it recognises them using the aggregate cost model.

Development costs acquired with a finite useful life that are capitalised are amortised starting on regulatory approval of the product (which is when it is transferred to industrial property) on a straight-line basis over the period in which they are expected to generate benefits.

Development costs (internal and acquired) previously recognised as an expense will not be recognised as an asset in a subsequent period.

*Industrial property*

Patents, trademarks and licences for the production, marketing and/or distribution of products are initially recorded at acquisition cost (separately or through a business combination) and are amortised over the estimated useful lives of the products to which they relate (straight-line method), subject to the limit, if applicable, of the term of the licence agreements signed with third parties.

Expenses arising from the development of an item of industrial property that is not economically viable are recognised in full in income for the year in which this fact becomes known.

*Computer applications*

The Group records the acquisition and development of computer programmes in this account. Maintenance costs for computer applications are charged to the consolidated income statement for the year in which they are incurred.

Computer applications may be contained in a tangible asset or have physical substance, thus incorporating both tangible and intangible elements. These assets are recognised as property, plant and equipment if they form an integral part of the related property, plant and equipment and are indispensable for its operation.

Computer applications are amortised on a straight-line basis over a period of between three and six years from the start-up of each application.

**c) Property, plant and equipment**

Property, plant and equipment are valued at cost (determined by separate acquisition or acquisition through a business combination).

Replacements or renewals of entire items that increase the useful life of the related asset, or its economic capacity, are recorded as an increase in property, plant and equipment, and the items replaced or renewed are derecognised.

Periodic maintenance, upkeep and repair expenses are charged to income on an accrual basis as a cost for the year in which they are incurred.

Items in progress are transferred to property, plant and equipment in operation at the end of the corresponding development period.

The annual tangible asset depreciation charge is recognised with a balancing entry in the consolidated income statement and is basically equivalent to the depreciation rates determined on the basis of the years of estimated useful life, although, of course, the land on which the buildings and other structures stand has an indefinite useful life and, therefore, is not depreciated.

The average useful lives of the various items are detailed below:

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	Years of useful life
Construction	33-50
Technical installations and machinery	6-12
Other facilities and tools	3-12
Laboratory furnishings and equipment	6-10
Information processing equipment	4-6
Transport elements	5-6.25

The income resulting from the disposal or retirement of an asset is calculated as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the consolidated income statement.

**d) Impairment of property, plant and equipment, intangible assets and goodwill**

At each consolidated balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any indication exists, then the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the asset does not generate cash flows on its own that are independent of other assets, then the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets for which amortisation has not commenced are tested for impairment at least at the end of each year, and whenever there are indications of impairment prior to the end of each year.

The recoverable amount is defined as whichever is greater: either fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and that also reflects any risks specific to the asset for which the estimated future cash flows have not been adjusted. Value in use has been calculated by applying both cash flows and an after-tax discount rate. As indicated in the details below, the discounted cash flow rate has been evaluated by the Group and is considered reasonable. The fact of using these variables (discount rate and cash flows) before or after taxes does not significantly change the result of the analysis conducted.

The recoverable amount shall be calculated for an individual asset, unless the asset does not generate cash inflows that are largely independent of those corresponding to other assets or groups of assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit (CGU) to which it belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, then the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated income statement.

Losses related to the impairment of the CGU initially reduce, if applicable, the value of the goodwill assigned to the CGU and then to the other assets of the CGU, pro rata based on the book value of each of the assets, with the limit for each of them being the higher of their fair value less costs of disposal, their value in use and zero.

When an impairment loss subsequently reverses (a circumstance not permitted in the case of goodwill), the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount. This increase is implemented in such a way, however, that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior fiscal years. A reversal of an impairment loss is recognised immediately as income in the consolidated income statement, up to that limit.

In the case of goodwill, the impairment analysis, which is conducted at the intervals described in Note 5-a), is conducted in three steps: First of all, the recoverable amount of goodwill specifically allocated to cash-generating units is assessed (if possible). Secondly, the loss assignable to the assets included

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in the cash-generating unit is assessed, and any relevant impairment is recorded, as described above. Next, the recoverable amount of the unallocated goodwill is calculated by incorporating all associated cash-generating units. In the event that an impairment loss on goodwill must be recognised, this loss is not reversible (Note 5-a)).

In general, the methodology used by the Almirall Group for impairment tests, which employs the value in use of assets assigned to CGUs with goodwill, relies on the estimation of cash flow projections drawn from financial budgets approved by the Management, which cover a 5-year period. Cash flows beyond the 5-year period are extrapolated using the standard growth rates indicated below.

The methodology used by the Almirall Group to carry out the impairment tests for intangible assets (Note 9), which are not subject to amortisation because marketing has not begun for each associated product, draws on detailed financial projections that cover a range from 10 to 18 years (depending on the expected useful life of the asset). To these projections a probability of success of the project is applied, and a residual income is estimated for the following years applying a growth rate that depends on the type and age of the products and is in keeping with experience with the products.

The methodology used by the Almirall Group to perform impairment tests on intangible assets subject to amortization is based on detailed financial projections ranging from 5 to 15 years, depending on the expected useful life of the asset.

The estimated financial projections for each cash-generating unit or asset consist of estimated after-tax net cash flows. The latter are determined, in turn, based on the estimated sales and gross margins and other expected costs for that cash-generating unit. The projections are based on reasonable and well-founded assumptions.

The main assumptions used in the impairment tests for the years ending on 31 December 2021 and 2020 were as follows:

<b>Asset or Cash-Generating Unit</b>	<b>Book assets as of 31 December 2021 (Thousands of euros)</b>	<b>Assumption 2021 (*)</b>	<b>Assumption 2020 (*)</b>
Almirall LLC (previously Aqua Pharmaceuticals, LLC)	Goodwill: -  Intangible assets: 23,929	p.t.d.: 7% a.t.d.: 7% t.v.: (15)%	p.t.d.: 7% a.t.d.: 7% t.v.: (15)%
Almirall LLC ("Allergan portfolio")	Goodwill: -  Intangible assets: 275,160	p.t.d.: 7% a.t.d.: 7% t.v.: (5)% - (15)%	p.t.d.: 7.3% a.t.d.: 7% t.v.: (5)% - (15)%
Almirall Hermal GmbH (CGU)	Goodwill: 227,743  Intangible assets: 300	p.t.d.: 10.4% a.t.d.: 7% t.v.: (2)%	p.t.d.: 10.5% a.t.d.: 7% t.v.: (2)%
Terbinafine	Intangible assets: Third parties: 1,116 Own network: 4,486	p.t.d.: 9.9% a.t.d.: 7% t.v.: (15)%	p.t.d.: 10.2% a.t.d.: 8.5% t.v.: (15)%
Finasteride	Intangible assets: Third parties: 16,960 Own network: 3,378	p.t.d.: 8.8% a.t.d.: 7% t.v.: (15)%	p.t.d.: 11.8% a.t.d.: 8.5% t.v.: (15)%
Poli Group Marketed (CGU)	Goodwill: 45,416  Intangible assets: 186,331	p.t.d.: 7.6% a.t.d.: 7% t.v.: (1)%	p.t.d.: 7.6% a.t.d.: 7% t.v.: (1)%
Marketing by Third Parties segment			
Poli Group Marketed (CGU)	Goodwill: 7,400	p.t.d.: 9.7% a.t.d.: 7%	p.t.d.: 6.8% a.t.d.: 7%

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

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Asset or Cash-Generating Unit	Book assets as of 31 December 2021 (Thousands of euros)	Assumption 2021 (*)	Assumption 2020 (*)
Own Network segment	Intangible assets: 39,257	t.v.: (2)%	t.v.: (-)%
AstraZeneca license	Intangible assets: 50,316	p.t.d.: 13.4% a.t.d.: 9.0% t.v.: (20)%	p.t.d.: 11.9% a.t.d.: 9.0% t.v.: (20)%
Sun Pharma license	Intangible assets: 81,479	p.t.d.: 13.4% a.t.d.: 9.0% t.v.: (20)%	p.t.d.: 11.3% a.t.d.: 9.0% t.v.: (-)%
Athenex license	Intangible assets: 61,059	p.t.d.: 10.3% a.t.d.: 9.0% t.v.: (15)%	p.t.d.: 11.7% a.t.d.: 9.0% t.v.: (15)%
Dermira license	Intangible assets: 98,043	p.t.d.: 11.2% a.t.d.: 9.0% t.v.: (15)%	p.t.d.: 12.1% a.t.d.: 9.0% t.v.: (15)%
Wynzora	Intangible assets: 12,000	p.t.d.: 11.1% a.t.d.: 9.0% t.v.: (1)%	-

(\*) Pre-tax discount rate (p.t.d), after-tax discount rate (a.t.d.), and Terminal Value (t.v.)

The average gross margins for the projected periods of the Cash-Generating Units mentioned range from 53% to 91%.

Management determines the budgeted gross margin based on past performance and on its expectations for market development.

The key variables of the impairment tests performed by the Group largely reflect the sales trend for each of the different drugs, practically all of which are currently in the marketing phase, as well as the discount rates applied.

These variables are drawn from historical experience weighted based on available external information. The change in the assumptions is based on the evidence obtained by the Group from the evolution of the indicators applied.

Below we provide a sensitivity analysis performed on these assets and CGUs, which present changes in their carrying value as of 31 December 2021, restated for reasonably possible variations in key assumptions. For the other undisclosed assets and CGUs, there is no impact due to impairment according to the same variables used.

Cash-Generating Unit	Sensitivity analysis	Impact on value (millions of euros)
Almirall LLC (previously Aqua Pharmaceuticals, LLC)	<ul style="list-style-type: none"> <li>- Increase / Reduction of estimated net sales by 10%</li> <li>- Increase / Reduction of five points in the growth rate.</li> <li>- Increase / Reduction of 0.5% in the discount rate</li> </ul>	+ 2 / (4) + 2 / (2) (1) / +1
Almirall LLC ("Allergan portfolio")	<ul style="list-style-type: none"> <li>- Increase / Reduction of estimated net sales by 10%</li> <li>- Increase / Reduction of five points in the growth rate.</li> <li>- Increase / Reduction of 0.5% in the discount rate</li> </ul>	+ 34 / (36) + 30 / (13) (10) / +11

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**e) Leases**

The Group rents different offices, machinery and transportation equipment. Leases are normally for fixed terms of 3 to 5 years, although they may have extension options as described below. Lease terms are negotiated on an individual basis and include a wide range of different terms and conditions. The lease agreements do not impose covenants, but the leased assets cannot be used as collateral for borrowings.

Since 1 January 2019, leases have been recognised as a right-of-use asset and the respective liability on the date on which the leased asset is available for use by the Group. Each lease payment is allocated between liabilities and financial expense. The financial expense is charged to income over the term of the lease so as to produce a constant periodic interest rate on the remaining balance of the liability for each year. The right-of-use asset is amortised on a straight-line basis over whichever is shorter: either the useful life of the asset or the lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including payments that are fixed in essence) less any lease incentives receivable
- variable lease payments that depend on an index or rate, and
- lease termination penalties, if the lease term reflects the tenant's exercise of that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, then the incremental borrowing rate is used, which is the rate the tenant would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment under similar terms and conditions.

Given the nature of right-of-use assets, the initial cost recognised is essentially composed of the initial valuation of the lease liability; as a general rule, the initial direct costs or recovery costs are not relevant. Likewise, there are no variable lease payments other than those dependent on a rate or charge.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in income. Short-term leases are leases with a term of 12 months or less. Low-value assets include computer equipment and small items of office furniture.

**f) Stocks**

Stocks are valued at whichever is lower: either acquisition or production cost, or net realisable value. Production costs include direct material costs and, where applicable, direct labour costs and applicable manufacturing overheads, including also those costs incurred for transport of stocks to their present location and conditions at the point of sale.

Trade discounts, rebates obtained and other similar items are deducted when determining the acquisition price.

The cost price is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in the marketing, selling and distribution processes.

The Group evaluates the net realisable value of stocks at the end of the year and recognises the appropriate loss when they are overvalued. When the circumstances that previously led to the write-down no longer exist or when there is clear evidence of an increase in net realisable value due to a change in economic circumstances, the amount of the valuation adjustment is reversed.

**g) Trade receivables for sales and services**

Client balances are recorded at amortised cost. The recoverable amount is determined at each balance sheet date and is reduced, where appropriate, by any valuation adjustments to cover balances in which there are circumstances that result in their classification as bad debts.

**h) Cash and cash equivalents**

Cash and cash equivalents are cash on deposit with the Group, bank deposits payable on demand and financial investments convertible into cash (short-term, highly liquid investments), with a maturity not

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exceeding three months from the date of acquisition, which have no significant risk of change in value and which are part of the Group's normal cash management policy.

For the purposes of determining the cash flow statement, the heading "Cash and other equivalent liquid assets" includes the Group's cash and bank deposits maturing in the short term which can be cashed immediately at the Group's discretion without penalty and which are included under the heading "Current financial assets" in the accompanying consolidated balance sheet. The carrying amount of these assets approximates their fair value.

**i) Financial instruments (excluding derivative financial instruments)**

Financial assets and liabilities are recognised in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the financial instrument.

For the fiscal years ending on 31 December 2021 and 2020, the Group has applied the following valuation standards to its financial instruments:

*Financial assets*

Classification: pursuant to IFRS 9, the Group classifies its financial assets into the following valuation categories:

- those measured subsequently at fair value (either with changes in other comprehensive income or in income), and
- those that are measured at amortised cost.

The classification depends on the entity's business model for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses must be recorded in income or in other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group had made an irrevocable choice at initial recognition to account for the equity investment at fair value with changes in other comprehensive income.

Recognition and derecognition: Regular-way purchases and sales of financial assets are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets expire or are transferred and the Group has substantially transferred all the risks and benefits of ownership.

Valuation: in the case of financial assets that are not at fair value through profit or loss (FVTPL), on initial recognition, the Group measures these at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. In contrast, the transaction costs of financial assets recorded at fair value through profit or loss (FVTPL) are recognised as an expense in the income statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely the payment of principal and interest.

*Debt instruments*

Subsequent valuation of debt instruments depends on the Group's business model for managing the asset and on the asset's cash flow characteristics. There are three valuation categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets held for collection of contractual cash flows when those cash flows represent only payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the income statement for the fiscal year and is recorded in other gains / (losses) together with gains and losses due to exchange rate differences. Impairment losses are presented as a separate item in the income statement.
- **Fair value with changes in other comprehensive income:** Assets held to collect contractual cash flows and to sell financial assets are measured at fair value through other comprehensive income when the cash flows from the assets only consist of payments of principal and interest.

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Changes in the carrying amount are recognised in other comprehensive income, except for the recognition of impairment gains or losses, ordinary interest income and foreign exchange gains or losses, which are recognised in the income statement. When the financial asset is derecognised, the accumulated gain or loss previously recognised in other comprehensive income is reclassified from equity to income and recognised in other gains/(losses). Interest income from these financial assets is included in interest income using the effective interest rate method. Gains and losses due to exchange rate differences are recorded in other gains and losses, while impairment expense is recorded as a separate item in the income statement.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are recognised at fair value through profit or loss. A gain or loss on a debt investment that is subsequently recognised at fair value through profit or loss is recognised in income and recorded net in the income statement within other gains/(losses) in the fiscal year in which it arises.

*Equity instruments*

The Group subsequently values all investments in equity at fair value. When the Group's Management has elected to present gains and losses in fair value of equity investments in other comprehensive income, then there is no subsequent reclassification of gains and losses in fair value to income following derecognition of the investment. Dividends from such investments continue to be recognised in profit for the fiscal year as other income when the company's right to receive the payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains / (losses) in the income statement when applicable. Impairment losses (and reversals of impairment losses) on equity investments measured at fair value with changes in other comprehensive income are not presented separately from other changes in fair value.

*Impairment*

The Group evaluates the expected credit losses associated with its assets prospectively at amortised cost and at fair value with changes in other comprehensive income. The method used for impairment depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires that expected lifetime losses are recognised starting from the initial recognition of the receivables, see Note 14 for further details.

*Financial liabilities*

Trade accounts payable are payment obligations for goods or services acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payments are due within one year or less (or due within the normal operating cycle, if this cycle is longer). Otherwise, they are presented as non-current liabilities.

Trade accounts payable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are initially recognised at fair value less transaction costs incurred. Subsequently, financial debts are valued at amortised cost; any difference between the funds obtained (net of the costs necessary to obtain them) and the redemption value is recognised in the consolidated income statement during the term of the debt in accordance with the effective interest rate method.

Fees paid to obtain credit facilities are recognised as debt transaction costs whenever it is probable that some or all of the facility will be drawn down. In this case, fees are deferred until the amount is drawn down. To the extent that it is not probable that all or part of the credit line will be drawn down, the fee is capitalised as an advance payment for liquidity services and is amortised over the period of availability of the credit facility.

The fair value of the liability component of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until it is extinguished upon conversion or maturity of the bonds. The remaining income earned is allocated to the conversion option which is recognised and included in shareholders' equity, net of the income tax effect.

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Financial debt is retired from the balance sheet when the obligation specified in the contract has been paid, cancelled or expired. The difference between the carrying amount of a financial liability that has been settled or transferred to another party and the consideration paid, including any asset transferred other than cash or the liability assumed, is recognised in income for the fiscal year as other financial income or expense.

When the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt-for-equity swap), then a profit or loss is recognised in income for the fiscal year in the amount of the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Loans at subsidised or zero interest rates are forms of government aid. Any loans of this sort granted are recognised based on the fair value of the financing received; differences arising between the fair value and the nominal value of the financing received are treated as a subsidy.

*Classification of financial assets and liabilities as current and non-current*

In the accompanying consolidated balance sheets, financial assets and liabilities are classified by their dates of maturity, i.e., those maturing in twelve months or less from the consolidated balance sheet date are classified as current, and those maturing in more than twelve months as non-current.

**j) Derivative financial instruments**

The Group's activities expose it mainly to exchange rate risks, due to the marketing of products through licensees and subsidiaries in countries with currencies other than the euro, but the Group is also exposed to interest rate risks due to the Parent Company's indebtedness (Note 31).

At the beginning of each hedging transaction, the Group documents the relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at inception and on an ongoing basis, of whether derivatives used in hedging transactions are highly effective in offsetting changes in fair value or cash flows of hedged items.

Derivatives are initially recognised at fair value at the date the derivative contract is signed and subsequently remeasured at fair value at each balance sheet date. The accounting for subsequent changes in fair value depends on whether the derivative has been designated as a hedging instrument and, if it has been, on the nature of the item it is hedging. In the past, the Group has arranged derivatives in the following cases:

- Hedges of changes in estimated cash flows arising from financial assets and liabilities, commitments and highly probable forecast transactions that an entity expects to carry out ("cash flow hedges"), such as forward exchange rates to cover relevant payments in foreign currencies.
- Cash flow hedges that qualify for hedge accounting, such as "collars" to hedge interest rate fluctuations.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the option contract as the hedging instrument.

The entire fair value of a derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is greater than 12 months, and as a current asset or liability if the remaining maturity of the hedged item is less than 12 months.

As of 31 December 2021 and 2020, the Group had no financial instruments that qualified for hedge accounting.

*Derivatives that do not qualify for hedge accounting*

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in income and are included in other gains / (losses).

See Note 17 for a description of the derivative financial instruments existing as of 31 December 2021 and 2020.



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**k) Provisions and contingencies**

When preparing the consolidated financial statements, the Parent Company's Administrators distinguish between:

- Provisions: credit balances covering obligations existing at the balance sheet date derived from past events which may give rise to outflows of financial resources that are of a specific nature but of uncertain amount and/or timing, and
- Contingent liabilities: possible obligations derived from past events that will become manifest only if one or more future events beyond the control of the consolidated entities occurs or fails to occur.

The Group's consolidated financial statements include all significant provisions for which it is considered more likely than not that the obligation will have to be settled. Contingent liabilities that do not result from a business combination are not recognised and are detailed in Note 26.

Provisions, which are quantified on the basis of the best information available on the consequences of the event giving rise to them and are re-estimated at the end of each reporting period, are used to address the specific, probable risks for which they were originally recognised, and are reversed, in whole or in part, when these risks disappear or decrease.

**(i) Ongoing legal proceedings and/or claims**

The Group's activities fall within a highly regulated sector (health legislation, intellectual property, etc.), which increases its exposure to potential litigation arising from its activities.

The claims and litigation to which the Group is subject are generally complex, meaning that their evolution can be highly uncertain, both as regards the probability of an outcome detrimental to the Group's interests and as regards the estimate of potential future disbursements to be made. As a consequence, it is necessary to use judgements and estimates, with the support of the relevant legal consultants.

At year-end 2021 and 2020, various legal proceedings and claims were in progress against the Group arising from its normal course of business. Both the Parent Company's legal consultants and its Administrators consider that the provisions recorded are sufficient and that the conclusion of these proceedings and claims will not have a significant impact on the consolidated financial statements for the years in which they are concluded.

**(ii) Provision for restructuring**

The Group recognises restructuring costs when it has detailed plans to proceed with the restructuring by identifying, at least: the business activities involved, the main locations affected, the job descriptions and approximate number of employees who will receive severance compensation after their services will become unnecessary, the disbursements to be made, the possible dates on which the detailed plans will be implemented and when a valid expectation has been induced among those workers affected, either by having started to implement the plans or by having announced their main features to them.

**l) Cost of retirement benefits (or post-employment benefits)**

The Group's companies Almirall Hermal, GmbH, Almirall AG and Polichem, S.A. have obligations for retirement benefits (or post-employment benefits). The obligations of Almirall AG and Polichem, S.A. are negligible in relation to the Group's consolidated financial statements. As for the obligations assumed by Almirall Hermal, GmbH, these benefits are structured into two defined benefit plans that were frozen in 2017 and a defined contribution plan with employer contributions.

A defined contribution plan is a pension plan under which the Group pays fixed contributions to a fund and has no legal or constructive obligation to make additional contributions if the fund does not have sufficient assets to pay benefits to all employees connected with services rendered in the current and prior fiscal years. Defined benefit plans, in contrast, establish the amount of benefits an employee will receive at retirement, usually based on one or more factors such as age, years of employment and salary.

In defined benefit plans, the contingencies covered are retirement, risks to active life, death and disability, for those employees with seniority prior to 30 June 2002, and the benefits consist of a pension

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determined, basically, by the pensionable salary. The commitment assumed is in an internal fund, with the corresponding provision, and there are no assets assigned to the plans (Note 20).

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation as of the balance sheet date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates from high quality corporate bonds expressed in the same currency in which the benefits will be paid, and whose terms to maturity are similar to those of the respective obligations. In countries where no market for this type of bonds has developed, the market rates for government bonds are used.

The amount of the commitments assumed has been determined by applying the following criteria:

- Method of calculation: the calculation method used in the actuarial valuations has been the "proportional crediting year by year" or "projected unit crediting" method. The value of the pension obligations has been calculated based on the present value of the benefits agreed, taking into account the number of years that the staff has been employed and the remaining years until their retirement.
- Actuarial assumptions: the main assumptions used to calculate the actuarial valuation of these commitments were as follows in 2021 and 2020:

2021	Almirall Hermal, GmbH	Almirall, AG	Polichem, S.A.
Mortality tables	Heubeck 2018G	BVG 2020 GT	BVG 2015 GT
Discount rate	0.90%	0.20%	0.20%
Rate of salary increase	2.25%	1.50%	1.00%
Rate of benefit increase	1.75%	0.75%	1.00%
Turnover rate	Variable according to age and gender	8.38%	-
Retirement age	65 - 67	64 - 65	64 - 65

2020	Almirall Hermal, GmbH	Almirall, AG	Polichem, S.A.
Mortality tables	Heubeck 2018G	BVG 2015 GT	BVG 2015 GT
Discount rate	0.50%	0.20%	0.25%
Rate of salary increase	2.25%	1.25%	1.00%
Rate of benefit increase	1.75%	0.50%	0.00%
Turnover rate	Variable according to age and gender	7.71%	-
Retirement age	65	64 - 65	64 - 65

Actuarial gains and losses arising from adjustments made based on experience and on changes in actuarial assumptions are charged or credited to equity in "Other comprehensive income" in the reporting period in which they arise.

Past service cost arises as a result of modifications to the benefits provided under a defined benefit plan. It may involve an improvement or a reduction in the benefits covered by the plan.

IAS 19 requires that past service cost be recorded directly in the consolidated income statement for the year in which the plan is modified. The entity recognises an expense when the change results in an improvement in benefits (positive past service cost), and it recognises income, when benefits are reduced (negative past service cost).

If new benefits are incorporated into a defined benefit plan, then this will have an immediate impact on the income statement, and it will not be possible to defer the expense corresponding to those benefits that have not yet been accrued during the vesting period.

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The discount rates used in the calculation are set according to actuarial advice based on published statistics and experience in each territory.

The defined contribution plans, in turn, provide coverage for contingencies similar to the defined benefit plans described above for all employees. The contributions are made to non-related entities, such as insurance companies, and the amount recognised as an expense in 2021 and 2020 amounted to €1.6 and €1.8 million, respectively.

Once the contributions have been paid, the Group has no further payment obligations. Contributions are recognised as employee benefits when accrued.

**m) Severance payments**

Severance payments are made to employees as a result of the Group's decision to terminate their employment contract before the normal retirement age or when the employee agrees to voluntarily resign in exchange for these benefits. The Group recognises these benefits when it has demonstrably committed to dismiss current employees in accordance with a detailed official plan without the possibility of revocation. When an offer is made to encourage voluntary resignation of employees, severance payments are valued based on the number of employees expected to accept the offer.

**n) Government subsidies**

Government subsidies to cover current expenses are recognised as income, once all conditions have been met, in the periods in which they offset the related costs, and they are deducted in the relevant presentation of expense.

Government subsidies related to property, plant and equipment are treated as deferred income and are recorded in income over the course of the expected useful lives of the relevant assets.

**o) Revenue recognition**

Revenue is recognised when control of a good or service is transferred to the customer (thus the concept of control replaces the previous concept of risks and benefits).

The Group recognises revenue when it satisfies a performance obligation by transferring the agreed goods or services to customers, and revenue is recorded at an amount that reflects the consideration that the Group expects to receive.

In this context, the Group recognises revenue from contracts with customers based on a five-step model established in IFRS 15:

- Step 1. Identification of customer contracts: A contract is defined as an agreement between two or more parties, which creates enforceable rights and obligations and establishes criteria that must be met for each contract. Contracts may be written, verbal or implied by virtue of a company's customary business practices.
- Step 2. Identification of separate performance obligations: A performance obligation is a commitment in a contract with a customer to transfer a good or service to the customer.
- Step 3. Determination of the contract transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for the transfer of promised goods or services to a customer, without taking into account amounts collected on behalf of third parties. Such consideration promised in a contract with a customer may consist of fixed amounts, variable amounts, or both.
- Step 4. Allocation of the transaction price to the separate performance obligations of the contract: In a contract that has more than one performance obligation, the Group allocates the transaction price among the performance obligations in amounts that represent the consideration to which the Group expects to be entitled in exchange for fulfilling each performance obligation.
- Step 5. Recognition of ordinary income when (or to the extent that) the Group fulfils a performance obligation. The Group fulfils a performance obligation and recognises income over time if any of the following criteria are met:

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- i. The Group's performance does not create an asset with an alternative use for the Group, and the Group has an enforceable right to payment of what has been completed to date.
- ii. The Group's performance creates or enhances an asset that the customer controls to the extent that the asset is created or enhanced.
- iii. The customer both receives and consumes the benefits provided by the Group's performance to the extent that the Group completes performance.

For performance obligations where none of the above conditions are met, income is recognised when the performance obligation is fulfilled.

When the Group fulfils a performance obligation by delivering the promised goods or services, it creates a contractual asset in the amount of the consideration obtained from the performance.

When the amount of consideration received by a customer exceeds the amount of revenue recognised, this generates a contractual liability.

Below are the details of the main activities through which the Group generates operating income from contracts with customers, which are included under the heading of "Net turnover" in the consolidated income statement:

- (a) Income from long-term contracts for licences granted to different "partners" (commercial partners)

The Group has long-term contracts for licences granted to the various "partners" (commercial partners) with whom it works in the various countries where the Group markets its products. The following types of income are derived from these contracts:

- Sales, either of raw materials or of any product that has undergone modification in a production process. Given that this component of income is differentiated from the other components of the contracts, as well as the fact that the price at which these transactions are carried out is a market price, such income is recorded under the heading of "Net turnover", in keeping with previous years.
- Royalties to be collected linked to the sales figures of the "partners" (commercial partners). They are recognised based on sales made. This income is recorded under the heading "Net turnover".
- Amounts receivable associated with milestones related to certain sales levels from different "partners" (commercial partners). In general, the milestones to which they are associated have a contingent nature, and as such, the amount is recognised at the date of achievement of the contingent milestone in order to remunerate sales that have already been made. This income is recorded under the heading "Net turnover".
- Collections for assignments or sales of trademarks or intellectual property considered equivalent to products, either for a specific period or perpetually.

- (b) Income from sales of licences for development and subsequent commercialisation

In the components of sales contracts where certain rights for development and subsequent marketing are assigned, and where there is significant ongoing involvement by the Group during the development period, the portion of the upfront payment allocated to this component is deferred on a straight-line basis to the consolidated income statement during the expected period of development. This constitutes a sale of the rights to a licence, which the Group also engages in with other companies, which besides implying a continued involvement of the Group during the development period of the molecules will generate income from milestones and future royalties, like any other type of sale or collaboration that Almirall engages in with other companies.

**p) Income tax, deferred tax assets and liabilities**

The expense for Spanish corporate income tax and similar taxes applicable to foreign consolidated entities is recognised in the consolidated income statement, except when it results from a transaction the results of which are recorded directly in equity, in which case the related tax is also recorded in equity.

Almirall, S.A. is subject to Corporate Income Tax under the Spanish Tax Consolidation regime according to Chap. VI of Title VII of Law 27/2014, of 27 November, on Corporate Income Tax. The

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companies that make up the Group for tax purposes for fiscal years 2021 and 2020 are: Almirall, S.A., Laboratorios Almirall, S.L., Industrias Farmacéuticas Almirall, S.A., Laboratorios Tecnobio, S.A., Ranke Química, S.A. and Almirall Europa Derma, S.A.; for all of these, the first company mentioned acts as parent company. Consequently, the consolidated corporate income tax expense includes the benefits derived from the application of tax loss and tax credit carryforwards that would not have been recorded if the companies comprising the tax group had been taxed individually.

Income tax represents the sum of the current income tax expense for the year and the change in recognised deferred tax assets and liabilities.

The income tax expense for the year is calculated based on the taxable income for the year. The taxable income differs from the net income presented in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and also excludes items that are never taxable or deductible. The Group's current tax liabilities (or assets) are calculated using tax rates that have been enacted or substantially enacted as of the consolidated balance sheet date. Management periodically evaluates positions taken in tax returns in situations where the applicable tax regulation is subject to interpretation, and, if necessary, it establishes provisions based on the amounts expected to be paid to the tax authorities.

Deferred tax liabilities are the amounts of income tax payable in the future related to taxable temporary differences, while deferred tax assets are the amounts of income tax recoverable due to the existence of deductible temporary differences, deferred tax assets eligible for compensation or deductions pending application. For these purposes, a temporary difference is defined as the difference between the carrying value of assets and liabilities and their taxable base. These amounts are recorded by applying the tax rate at which they are expected to be recovered or settled to the corresponding temporary difference or credit. However, deferred taxes are not recognised if they arise from the initial recognition of an asset or liability in a transaction, other than a business combination, that, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets identified with temporary differences and other deferred tax assets (tax loss carryforwards and tax credits carryforwards) are only recognised if it is considered probable that the consolidated entities will have sufficient taxable profits in the future against which they can be offset. At the end of each accounting period, the deferred taxes recorded (both assets and liabilities) are reviewed to verify that they are still valid, and the appropriate adjustments are made in accordance with the results of the analyses conducted. In the analysis of the recovery of deferred tax assets, the monetization of deductions generated by research and development is considered.

Finally, in application of IFRIC 23 "Uncertainty over income tax treatment", the Group classifies liabilities arising from this rule under the heading of "Other non-current liabilities" (Note 18).

**q) Interest cost**

General and specific interest costs that can be attributed directly to the acquisition, construction or production of qualifying assets, which are those assets that necessarily require a substantial period of time before they are ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment in specific loans pending their use for qualifying assets is deducted from interest costs eligible for capitalisation.

Other borrowing costs are recognised in income in the year in which they are incurred.

**r) Transactions in foreign currency**

The Group's presentation currency is the euro. Consequently, all balances and transactions expressed in currencies other than the euro are considered to be expressed in "foreign currency".

The translation of foreign currency balances into euros is carried out in two consecutive stages:

i. Translation of foreign currency to the functional currency of the subsidiaries:

Transactions in foreign currencies carried out by consolidated entities are initially recorded in their respective financial statements at the equivalent value in their functional currencies resulting from applying the exchange rates in effect on the dates on which the transactions are carried out. Subsequently, for presentation purposes in their separate financial

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statements, consolidated entities translate monetary balances receivable or payable in foreign currencies into their functional currencies using year-end exchange rates. Exchange differences are charged and/or credited to their income statements.

- ii. Translation to euros of balances held in the functional currencies of subsidiaries whose functional currency is not the euro.

Balances in the financial statements of consolidated entities whose functional currency is not the euro are translated into euros as follows:

- Assets and liabilities, by applying the year-end exchange rates.
- Income and expenses and cash flows, by applying average exchange rates for the year.
- Equity, at historical exchange rates.

Adjustments in goodwill and in fair value arising on the acquisition of a foreign entity are considered assets and liabilities of the foreign entity and are translated at the year-end exchange rate. Differences arising in the translation process are recognised in Other comprehensive income and are shown under the heading "Translation differences" in Equity. Such translation differences are recognised as income or expense in the consolidated income statement in the year in which the investment is realised or disposed of.

During consolidation, exchange differences arising from the translation of any net investment in foreign business and from debt and other financial instruments designated as hedges for these investments are recognised in other comprehensive income. When a foreign business is sold or any financial debt that forms part of the net investment is repaid, the associated exchange differences are reclassified to income for the fiscal year as part of profit or loss on the sale.

**s) Environmental assets**

Assets of an environmental nature are defined as assets that are used on a long-term basis in the operations of the Almirall Group companies for the main purpose of minimising environmental impacts and protecting and recovering the environment, including the reduction or elimination of future pollution from the Group's operations. The annual cost, as well as the investments and the carrying value at the end of each year, are detailed in Note 30.

The Group also has photovoltaic panels at some of its production facilities to produce energy for self-consumption. These assets are valued, as any tangible asset, at acquisition or production cost.

The companies depreciate these items on a straight-line basis over the estimated remaining useful lives of the various items.

The Group also incurs expenses related to environmental preservation activities, as also detailed in Note 30.

**t) Earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period that can be attributed to the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding the average number of treasury shares held for the entire period.

Diluted earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, adjusted by the weighted average number of ordinary shares that would be issued if all potential ordinary shares were converted into ordinary shares of the Parent Company. For these purposes, the conversion is deemed to take place at the beginning of the period or at the time of issue of the potential ordinary shares if these have been issued during the period itself.

**u) Consolidated cash flow statement**

The following terms are used in the consolidated cash flow statement with the following meanings:

- Cash flows: inflows and outflows of cash and cash equivalents; short-term, highly liquid investments with low risk of changes in value are understood as cash flows.

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- Operating activities: activities typical of the company, as well as other activities that cannot be classified as investing or financing activities.
- Investment activities: the acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the amount and composition of equity and liabilities that are not part of operating activities.

For the purposes of determining the consolidated cash flow statement, the heading "Cash and other equivalent liquid assets" includes the Group's cash and bank deposits that will mature in the short term that can be cashed immediately at the Group's discretion without penalty included under the heading "Current financial investments" in the accompanying consolidated balance sheet. The carrying amount of these assets approximates their fair value.

**v) Remuneration systems linked to share value**

On 14 February 2008, for the benefit of certain Executives, the Board of Directors of the Parent Company approved a long-term variable compensation plan linked to the value of the Company's shares or "Stock-Equivalent Units Plan" (hereinafter the SEUS Plan), which was ratified by the General Shareholders' Meeting held on May 9, 2008.

Under the Plan, the Parent Company undertakes to grant the Executives a long-term variable remuneration linked to the value of the Parent Company's shares, provided that certain requirements and conditions are met, and this remuneration is paid in cash. The liabilities, calculated as described in IFRS 2, as of 31 December 2021 and 2020, are disclosed in Note 28.

**w) Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new shares or options are presented in equity as a reduction, net of taxes, to the income obtained.

When any Group entity acquires shares of the Company (treasury shares), the consideration paid, including any directly attributable incremental cost (net of income tax) is deducted from equity attributed to holders of equity instruments in the Company until cancellation, reissue or disposal of the treasury shares acquired. When these shares are subsequently reissued, all amounts received, net of any directly attributable incremental transaction costs and the related income tax effects, are included in equity attributed to equity holders in the Company.

**6. Changes in accounting policies**

In the year ending on 31 December 2021, there have been no significant changes in the Group's accounting policies, nor have new standards come into force that have an impact on the comparability of these consolidated financial statements with respect to those of the year ending on 31 December 2020.

**7. Critical accounting judgements and estimates**

Estimates and judgements are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations regarding future events that are believed to be reasonable under the circumstances. In addition, due to the uncertainty generated by the COVID-19 pandemic, Note 33 describes additional impacts that this could have on these consolidated financial statements and the accounting judgements and estimates made as of 31 December 2021.

**a) Recognition of income and fair value of revenue to be collected**

Part of the income generated by the Group comes from the transfer of rights, from the assignment to third parties of the use of licences for products developed by the Almirall Group or from granting access to third parties to products under development. The agreements that serve as the basis for such transfers, assignments or access are usually complex in nature and include elements such as:

- Non-refundable upfront fees.
- Charges for the achievement of certain milestones (development, sales, etc.).

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- Royalties.
- Determination of the future supply price of the product in question between the parties.

In this regard, a detailed analysis of each of the components of the agreements and of the agreements in their entirety is required in order to determine an appropriate allocation to income for each of the elements of the agreements.

As a consequence of the transaction with AstraZeneca UK Limited carried out in November 2014, Almirall, S.A. signed an agreement with AstraZeneca UK Limited through which it transferred the rights to part of its respiratory franchise, which included several components that implied receiving various payments in cash and other deferred payments dependent on certain future milestones. As a result of this transaction, the following impacts are reflected in these consolidated financial statements:

- Sale of Eklira (aclidinium) and Duaklir (a combination of aclidinium/formoterol): treated for accounting purposes in 2014 as a sale of business (transfer of assets, rights, etc., together with the employees, forming a business unit, without significant future commitments or obligations for Almirall). This transaction was recorded at the fair value of the agreed consideration (the portion of the upfront payment allocated plus the fair value of potential future payments for milestones, sales and royalties), and the assets in the consolidated balance sheet related to this business were derecognised. The result of this was recorded under "Other income" in the income statement for the fiscal year 2014.

As a result of this transaction, a financial asset was generated, valued at fair value at the end of each year with changes in income, and consisting of the following future collection components established in the sales contract related to the future development of the commercial activity of the Eklira business unit:

- "Milestones events": milestones related to the first launches and achievement of reference prices in certain countries, taking into account the probability of achieving them.
- "Sales-related payments": milestones related to reaching a certain level of sales. At the end of December 2021 and 2020, there are none outstanding.
- "Potential payments": milestones related to the collection of royalties, linked to sales achieved in each future fiscal year. Sales revenue is related to the sales variable derived from sales reported by AstraZeneca at the end of the year of the respective consolidated financial statements.

The fair value of this transaction was determined upon initial recognition by an independent expert. The method used consisted of discounted cash flows adjusted for the probability of success of certain risks associated with the different phases of the products. Using this method, the future cash flows generated by the asset are estimated (converted from USD to euros at the exchange rate according to the range of dates stipulated in the agreement) and for the estimated period of time of commercialisation taking into account the expiration of the patent, and these estimated future cash flows are adjusted for estimated probabilities of success. These probabilistic cash flows are discounted at a rate that reflects the current required rate of return on the market and the specific risks of the asset. The impacts on the fair value of the asset are detailed in Note 12.

The main assumptions and considerations applied in the valuation of financial assets as of 31 December 2021 are as follows:

- Level of sales achieved for each of the fiscal years in a given territory.
- Discount rate: depending on the countries where cash flows will be obtained, resulting in an overall weighted average of approximately 9.9%.
- Assigned probabilities of success: it affects the assessment of milestones events.

For the purposes of the sensitivity analysis, restated for reasonably possible variations, as regards the valuation made on 31 December 2021, the following points must be taken into consideration:

- By reducing/increasing the estimated sales revenue for the fiscal years 2022 to 2035 by 5% a year, the impact would be a decrease/increase of the financial asset by €(2.9)/2.9 million, respectively.



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- By reducing/increasing the discount rate used by 1%, the impact would be an increase/decrease of the financial asset by €(2.3)/2.3 million, respectively.
- By reducing/increasing the probabilities assigned to milestone events by 5%, the impact would be a decrease/increase of the financial asset by €2.4/(2.2) million, respectively.

Sales of licences for development and subsequent commercialisation: in the components of the sales contracts by virtue of which certain rights were transferred for development and subsequent commercialisation, when Almirall continues to be significantly involved during the development period, the portion of the upfront payment assigned to this type of components is deferred on a straight-line basis to the consolidated income statement, and their allocation ended in October 2021 (see deferred income in Note 16). Once the product in question has been commercially launched, if applicable, future royalties will be recognised for accounting purposes in accordance with sales achieved for the product.

**b) Valuation of intangible assets - Acquisition of developments in progress**

These are the Group's acquisitions of marketing rights for certain products that are in the development phase (Note 9), which meet the characteristics for recognition at the initial moment under IFRS (Note 5-0). These assets will be depreciated over the respective useful lives of the corresponding products starting from the moment that these products obtain regulatory approval. At the end of each accounting period, the Group is responsible for assessing the recoverability of these assets through the generation of positive cash flows in the future according to the best estimates of the Group's technical and financial managers. For this purpose, a discounted cash flow model must be applied that involves a degree of uncertainty inherent in the consideration of the various possible scenarios. A change in the assumptions made in the valuation of the expected cash flow (interest rate fluctuations, regulatory changes, final approval of the expected regulated prices, competition from other products, etc.) could reduce the realisable value of these assets (Note 9).

Payments contingent on the purchase of marketing rights for certain products that are in the development stage are capitalised when incurred to the extent that they reflect the achievement of certain milestones (e.g., obtaining regulatory approval or reaching a certain sales threshold), which serves to confirm the increased value of the asset in question. Conversely, when contingent payments are linked to the performance of normal development stage activities that do not meet the condition for capitalisation or linked to royalties on future sales, they are recognised in the consolidated income statement when incurred.

In this regard, a detailed analysis of contingent payments is required to determine whether they should be capitalised or charged to the income statement when incurred.

**c) Provision for contingent liabilities (litigation, etc.)**

The Group's activities fall within a highly regulated sector (health legislation, intellectual property, etc.), which increases its exposure to potential litigation arising from its activities.

The claims and litigation to which the Group is subject are generally complex, meaning that their evolution can be highly uncertain, both as regards the probability of an outcome detrimental to the Group's interests and as regards the estimate of potential future disbursements to be made Group. As a consequence, it is necessary to use judgements and estimates, with the support of the relevant legal consultants.

At the end of the fiscal years ending on 31 December 2021 and 2020, various legal proceedings and claims were in progress against the consolidated entities arising from the ordinary course of their business. Both the Group's legal consultants and its Administrators believe that the conclusion of these proceedings and claims will not have a significant effect on the consolidated financial statements for future years (Note 26).

**d) Deferred tax assets**

In determining deferred tax assets whose recoverability is considered reasonably assured, the Group establishes a finite time horizon for offsetting them based on the best estimates made. Accordingly, the expected period of application of deferred tax assets has been determined using an estimate of the individual taxable income of the companies comprising the Group; moreover, the legal deadlines for use of these assets also takes into account the timetable for the use of deductions pending application as well as tax losses subject to offset in subsequent years (Note 22). Nevertheless, the Group has

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considered a time horizon of up to 10 years as a probable scenario for recoverability of these deferred tax assets, and hence it did not include in the recognition of the assets any tax credits that, according to the estimates of generation of future taxable income, would require a longer period. Even though the tax legislation would allow inclusion of tax credits requiring more than 10 years for recovery, the Group does not consider the forecast beyond the time horizon of 10 years as a probable scenario.

**e) Impairment of goodwill and intangible assets**

The determination of the potential impairment loss of goodwill, as well as of any intangible assets with possible indications of impairment, requires the use of judgements and estimates regarding their recoverable value. These judgements and estimates rely mainly on the determination of the cash flows associated with the relevant cash-generating units and on certain assumptions regarding the interest rates used in the discounted cash flows (Note 5-d) and 8). The use of other assumptions in the analysis of the recoverable value of goodwill and intangible assets could give rise to other considerations regarding their impairment.

**8. Goodwill**

The changes in this heading in the consolidated balance sheet during 2021 and 2020 were as follows:

	Thousands of Euros						
	Balance as of 31 December 2019	Variations due to exchange rate	Valuation adjustment	Balance as of 31 December 2020	Variations due to exchange rate	Valuation adjustment	Balance as of 31 December 2021
Almirall, S.A.	35,407	-	-	35,407	-	-	35,407
Almirall Hermal, GmbH	227,743	-	-	227,743	-	-	227,743
Poli Group	52,816	-	-	52,816	-	-	52,816
<b>Total</b>	<b>315,966</b>	<b>-</b>	<b>-</b>	<b>315,966</b>	<b>-</b>	<b>-</b>	<b>315,966</b>

The goodwill of Almirall, S.A., the net value of which amounts to €35.4 million, arose in 1997 from the difference between the value at which the shares of Prodesfarma, S.A. were recorded and the underlying book value of this company at the time of the merger by absorption of this company by the Parent Company, once the unrealised gains arising from property, plant and equipment and financial assets had been assigned to the other assets.

The goodwill of Almirall Hermal, GmbH arose as a result of the difference between the acquisition value in 2007 of the shares of the Hermal Group companies and their theoretical value at the time of acquisition, after assigning to the identifiable assets and liabilities the difference between their fair value and the value at which they were recognised in the financial statements of the companies acquired, where applicable. The cash-generating unit to which this goodwill is allocated, in accordance with the segmentation and monitoring policies of the financial information maintained by Almirall Group management, is the company Almirall Hermal, GmbH, as a whole.

Poli Group's goodwill arose as a result of the difference between the acquisition value in February 2016 of the shares of Poli Group companies and their underlying value at the time of acquisition once the difference between their fair value and the value at which they were recorded in the financial statements of the acquired companies had been allocated to identifiable items of assets and liabilities.

*Impairment losses*

At the end of the fiscal year ending on 31 December 2021, the recoverable amount of all goodwill for which impairment tests have been performed has been estimated based on calculation of value in use of the CGUs to which they are assigned, as described in Note 5-d). In the cases related to Cash-Generating Units, these calculations use cash flow projections based on financial budgets approved by Management that cover a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates indicated in Note 5-d).

Impairment losses are recorded under the heading "Impairment losses on property, plant and equipment, intangible assets and goodwill" in the accompanying consolidated income statement (see Note 21).

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As of 31 December 2021 and 2020, according to the estimates and projections available to the Parent Company's Administrators, the forecasts of results and discounted cash flows for the remaining cash generating units adequately support the carrying amounts of the related assets and, therefore, the related goodwill.

Goodwill is assigned to the respective subsidiaries, except for the goodwill of Almirall, S.A., which is assigned to the Parent Company, since in general the CGUs coincide with the activity of these companies.

See Note 5-d) for details of the sensitivity analyses conducted.

## 9. Intangible assets

The itemisation of the balance and changes in this heading in the accompanying consolidated balance sheets as of 31 December 2021 and 2020 is as follows:

Thousands of euros	Balance as of 31/12/2020	Recognitions	Transfers	Derecognitions	Translation differences	Balance as of 31/12/2021
Industrial property	1,821,574	39,689	61,135	(66,606)	62,466	1,918,258
Development costs <sup>1</sup>	89,069	10,530	(25,940)	(1,390)	1,232	73,501
Computer applications	103,955	3,933	6,924	(18,780)	97	96,129
Advances and property, plant and equipment in progress	152,658	23,494	(42,119)	(12,677)	1,686	123,042
<b>Total cost Intangible assets</b>	<b>2,167,256</b>	<b>77,646</b>	<b>-</b>	<b>(99,453)</b>	<b>65,481</b>	<b>2,210,930</b>
Accum. A. Industrial property	(803,660)	(91,168)	-	22,149	(18,408)	(891,087)
Accum. A. Development costs	(888)	-	-	-	(471)	(1,359)
Accum. A. Computer applications	(87,744)	(6,907)	-	15,770	(20)	(78,901)
<b>Total Accum. A. Intangible assets</b>	<b>(892,292)</b>	<b>(98,075)</b>	<b>-</b>	<b>37,919</b>	<b>(18,899)</b>	<b>(971,347)</b>
Impairment losses	(265,428)	(90,844)	-	48,475	(15,730)	(323,527)
<b>Net Value Intangible assets</b>	<b>1,009,536</b>	<b>(111,273)</b>	<b>-</b>	<b>(13,059)</b>	<b>30,852</b>	<b>916,056</b>

<sup>1</sup> Additions to the heading Development expenses include €8,932 thousand of internally generated expenses in the fiscal year ending on 31 December 2021.

Thousands of euros	Balance as of 31/12/2019	Recognitions	Transfers	Derecognitions	Translation differences	Balance as of 31/12/2020
Industrial property	1,900,289	3,217	1,819	(16,761)	(66,990)	1,821,574
Development costs <sup>1</sup>	84,316	4,941	-	-	(188)	89,069
Computer applications	94,859	4,178	5,305	(360)	(27)	103,955
Advances and property, plant and equipment in progress	144,906	19,139	(7,124)	-	(4,263)	152,658
<b>Total cost Intangible Assets</b>	<b>2,224,370</b>	<b>31,475</b>	<b>-</b>	<b>(17,121)</b>	<b>(71,468)</b>	<b>2,167,256</b>
Accum. A. Industrial property	(740,678)	(93,582)	-	14,529	16,071	(803,660)
Accum. A. Development costs	(843)	-	-	-	(45)	(888)
Accum. A. Computer applications	(82,118)	(5,963)	-	313	24	(87,744)
<b>Total Accum. A. Intangible assets</b>	<b>(823,639)</b>	<b>(99,545)</b>	<b>-</b>	<b>14,842</b>	<b>16,050</b>	<b>(892,292)</b>
Impairment losses	(261,716)	(16,197)	-	-	12,485	(265,428)
<b>Net Value Intangible assets</b>	<b>1,139,015</b>	<b>(84,267)</b>	<b>-</b>	<b>(2,279)</b>	<b>(42,933)</b>	<b>1,009,536</b>

<sup>1</sup> Additions to the heading Development expenses include €4,941 thousand of internally generated expenses in the fiscal year ending on 31 December 2020.

The intangible assets described in the table above have finite useful lives, and the majority of them have been acquired from third parties or as part of a business combination, with the exception of the internally generated development costs described below in this Note. There are no assets subject to debt guarantees.

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On 11 December 2017, the Group signed an agreement with Athenex, whereby Athenex granted Almirall an exclusive licence to research, develop and commercialise in the United States of America and Europe, including Russia, a first-in-class topical treatment for actinic keratosis, which was in Phase-III development at that time. Athenex is entitled to receive milestone payments related to additional launches and indications of up to US\$70 million. In addition, the contract provides for payments for the achievement of sales milestones, estimated at up to US\$155 million. The agreement also provides for the payment of tiered royalties starting at 15% in accordance with annual net sales, which will increase in the event of greater sales. Almirall paid US\$30 million (€25.1 million) in 2018 for signing the agreement and US\$20 million (€17.3 million) in 2019 for meeting certain development milestones. In this context, regulatory approval for the United States was obtained from the FDA on 14 December 2020, while approval for the European Union was obtained from the EMA on 19 July 2021. This product was launched in the first quarter of 2021 in the United States, and in the fourth quarter in the first European markets (Germany and the United Kingdom), with the expectation that it will be launched in the rest of Europe in 2022. In 2021, milestones of US\$20 million and US\$5 million, respectively (equivalent to €16.5 million and €4.3 million), have been paid for the launch in the United States and Europe.

On 12 February 2019, the Group signed an option and licence agreement with Dermira whereby it acquired the option for exclusive licensing of the rights to develop and market Lebrikizumab for the treatment of atopic dermatitis and other indications in Europe. In 2019 and 2020, the Group made various payments under this agreement (as detailed later in this release) and will be obligated to make additional payments upon achievement of certain future milestones, up to a total of US\$85 million upon achievement of regulatory milestones and the first commercial sale of Lebrikizumab in Europe. In addition, the Group will be required to make payments upon reaching certain net sales thresholds for Lebrikizumab in Europe, as well as paying royalties on net sales at percentages from the low double digits to the low twenties range. In February 2019, the Group made a first payment of US\$30 million (about €27 million). On 25 June 2019, the Group decided to exercise its option, for which it paid US\$50 million (approximately €44 million) on 9 July 2019. Finally, in the last quarter of 2019, the Group paid US\$15 million (about €13 million), and in the first half of the year another US\$15 million (about €13 million) due to the achievement of certain milestones in Phase-III clinical studies.

During 2021, the main additions of intangible assets came to €77.6 million and largely reflect:

- On 16 February 2021, the Group acquired the European marketing rights to Wynnora® cream for the treatment of plaque psoriasis from MC2 Therapeutics. Wynnora® cream (50 µg/g calcipotriol and 0.5 mg/g betamethasone dipropionate) received FDA approval in the USA on 20 July 2020. The product is currently under review in Europe. For this purpose, two Phase-3 trials have been submitted, including a head-to-head comparison study against the active ingredient Dovobet / Daivobet® Gel. Under the terms of this agreement, the Group has made an initial payment of €5 million in March 2021 and €7 million in September 2021 for regulatory approval of the product in Europe. An additional payment of €3 million is expected to be made in accordance with the achievement of certain product launch milestones, in addition to payments for sales milestone (up to a maximum of €229 million) and double-digit royalties on sales in Europe.
- Pursuant to the licence agreement signed with Athenex, in March 2021, in the wake of the commercial launch in the United States and Europe under the commercial name Klisyri, the Group has made payments for a total amount of US\$25 million, (€20.8 million) as previously mentioned, due to the achievement of these product launch milestones.
- In September 2021, the first sales milestone related to the licensing agreement with Sun Pharma was accrued in the amount of US\$7.5 million (€6.6 million).
- On 14 December 2021 Almirall and Ichnos Science announced the exclusive licence agreement for ISB 880, an IL-1RAP antagonist. Under the agreement, Almirall has acquired the global rights to develop and market this monoclonal antibody for autoimmune diseases. Ichnos will retain the rights to antibodies targeting the IL-1RAP pathway for oncological indications. Under the terms of the agreement, Almirall will assume full cost and responsibility for the development and global commercialisation of the compound for all autoimmune disease indications. The Group has recorded the initial up-front payment of €20.8 million in the balance sheet on 31 December 2021, the payment having been made on 19 January 2022. The contract

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also provides for additional payments for commercial and development milestones (up to a maximum of €225 million), sales milestones (up to a maximum of US\$400 million) and tiered royalties based on future global sales.

- As mentioned in Note 5-0, the Group has three development projects that meet the capitalisation criteria. These projects constitute: supporting studies for launch of a product for the treatment of acne in China, a new formulation of a treatment for psoriasis that is already marketed in Europe and studies prior to regulatory approval in the EU of a drug for the treatment of actinic keratosis that is already marketed in the United States. The total amount capitalised in fiscal year 2021 is €8.9 million.

During the 2020 fiscal year, the main additions of intangible assets amounted to €31.5 million and corresponded largely to:

- As a consequence of the Dermira agreement mentioned above, in the first half of 2020 the Group paid US\$15 million (about €13 million) due to the achievement of a milestone related to Phase-III clinical studies.
- In the last quarter of fiscal year 2020, two development projects were initiated that met the capitalisation criteria mentioned in Note 5,-0, as outlined previously. The total amount capitalised during fiscal year 2020 came to €4.9 million.

The disposals from fiscal year 2021 can largely be attributed to the option agreement concluded in late 2019 to acquire a development stage pharmaceutical component from Bioniz Therapeutics, Inc.; an upfront payment of US\$15 million (approximately €13 million) was made to Bioniz in exchange for the option to acquire all of the company's shares. That agreement stipulated that after the results of the Phase-1/2 study in LCCT, certain biomarker clinical data and the report from the "End of Phase 2" meeting with the FDA have all been made available, Almirall would have 60 days to exercise its option. These conditions became effective on 16 March 2021, the date on which the Group communicated its decision not to exercise this option. As a result, this asset has been derecognised, and a loss of €12.4 million (equivalent to US\$15 million) has been recognised under "Net gains/losses on disposal of assets" in the consolidated income statement for the year ending on 31 December 2021 (Note 21). In addition, the rights to develop and commercialise a product in the respiratory field for a total of €45 million (which was fully impaired) have been written off, as any possibility of developing this product has been definitively ruled out.

The derecognitions in fiscal year 2020 were mainly due to the divestment of Ansiolin® (diazepam) in favour of Neuraxpharm in Italy (signed on 25 June 2020). The agreement between Neuraxpharm Italia and Almirall included the two marketed formats of Ansiolin®: Ansiolin® 5 mg tablets and Ansiolin® 5 mg/ml drops, both marketed in Italy. The conditions for this transaction to be completed were met in November 2020, for which the Group received a payment of €14.1 million, obtaining a net result of €12 million from this transaction in 2020.

The translation differences for the fiscal year are mainly due to the evolution of the US dollar's exchange rate, mainly linked to the portfolio of 5 speciality products for the treatment of acne, psoriasis and dermatosis, which were acquired from Allergan Sales, LLC and Allergan Pharmaceuticals International Limited ("Allergan").

The itemisation of the main assets included under the intangible assets heading is as follows, by carrying amount:

(Thousands of Euros)	Carrying amount 31/12/2021	Carrying amount 31/12/2020	Useful life	Remaining useful life (31/12/21)
a) Licenses and other marketing rights as a consequence of the takeover of Allergan's portfolio	275,160	361,024	5-15	2-12
b) Polichem Group:				
- Licenses and other marketing rights (product technology) as a consequence of the takeover	225,588	246,318	14-18	10-14
- Development costs as a consequence of the takeover	25,940	27,465	10-15	9-14

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(Thousands of Euros)	Carrying amount 31/12/2021	Carrying amount 31/12/2020	Useful life	Remaining useful life (31/12/21)
c) Licenses and other marketing rights as a consequence of the marketing agreement with Sun Pharma	81,479	81,600	15	12
c) Licenses and other marketing rights as a consequence of the marketing agreement with AstraZeneca	50,316	58,700	10	6
c) Licenses and other marketing rights as a consequence of the marketing agreement with Athenex	61,059	40,746	10	10
f) Product technology as a consequence of the takeover Aqua Pharmaceuticals (now Almirall LLC)	23,929	50,641	15	7
g) Licenses and other marketing rights as a consequence of the marketing agreement with MC2 Therapeutics	12,000	-	10	10
h) Option and licence agreement with Dermira for the development and marketing of Lebrikizumab	98,043	98,043	In progress	-
i) Licenses and other marketing rights as a consequence of the marketing agreement with Ichnos	20,800	-	In progress	-
Costs for developments made by the company	13,873	4,941	In progress	-
Other intangible assets	27,869	40,058		
<b>Total intangible assets</b>	<b>916,056</b>	<b>1,009,536</b>		

The aggregate amount of Research and Development Expenses recognised as costs in the consolidated income statement for fiscal years 2021 and 2020 comes to totals of €82.5 million and €83.8 million, respectively. These amounts include both the amount of the amortisation of assets assigned to research and development activities, as well as the expenses incurred by Group employees and expenses incurred by third parties.

Listed below are the main assets included under this heading and their main changes in the 2021 fiscal year:

- Portfolio of 5 speciality products for the treatment of acne, psoriasis and dermatosis, which were acquired from Allergan Sales, LLC and Allergan Pharmaceuticals International Limited ("Allergan") on 21 September 2018 for €471.2 million (equivalent to US\$548 million), corresponding to the trademarks, intellectual property, regulatory approval documents, and the licenses for being the exclusive distributor of the dermatological products in the United States. The change in the year corresponds to the amortisation for the fiscal year 2021 for the amount of €44.9 million (€42.6 million in the year 2020), the impairment losses recorded in 2021 for €68.7 million (there were none in 2020) and the revaluation, as a consequence of the conversion to the currency in which the consolidated financial statements are presented, at a value of +27.7 million euros (-33.7 million euros in 2020).
- Intangible assets acquired from the Poli Group in 2016, for an amount of 428.4 million euros, mainly for product technology and development costs. Said technology, allocated to each product, was defined as a pool of intangible assets that basically includes product formulation, value of the trademarks or trade names and patents or marketing licenses, and that were grouped together because they were deemed to be interrelated, they had no worth on their own and they were expected to have the same useful life. The estimated value of said product technology was 348.2 million euros. The change in the year corresponds to the amortisation for the fiscal year 2021 for the amount of €20.7 million (€20.7 million in the year 2020). The total development costs (€80.2 million at the initial moment) corresponded to the pipeline of acquired products that were in progress, up to the marketing of the associated products, for which an impairment was recorded in the 2017 fiscal year. In 2021, said assets started to depreciate as they began their commercial life, amounting to €1.5 million.
- Marketing rights for Europe arising from the agreement with Sun Pharma for the product that treats psoriasis, under the trade name Ilumetri. The change in the year corresponds to the amortisation for the fiscal year 2021 for the amount of €6.5 million (€6.3 million in the year 2020), and the aforementioned additions.

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- d) Marketing rights for Europe arising from the agreement with AstraZeneca for two products that treats hypertension. The change in the year corresponds to the amortisation for the fiscal year 2021 for the amount of €8.4 million (€8.4 million in the year 2020).
- e) Marketing rights for Europe and the United States from the agreement with Athenex, for a product to treat actinic keratosis. This product was in progress as of 31 December 2020. The change in the year corresponds to the amortisation for the fiscal year 2021 for the amount of €4.7 million (0 in 2020), additions for the amount of €20.8 million, and the revaluation, as a consequence of the conversion to the currency in which the consolidated financial statements are presented, at a value of +4.3 million euros, the carrying amount as of 31 December 2021 being €61.1 million.
- f) Technology acquired from Almirall LLC (formerly Aqua Pharmaceuticals, LLC) in 2013, said technology, allocated to each product, was defined as a pool of intangible assets that basically includes product formulation, value of the trademarks or trade names and patents or marketing licenses, and that are grouped together because they were deemed to be interrelated, they have no worth on their own and they are expected to have the same useful life. The change in the year corresponds to the amortisation for the fiscal year 2021 for the amount of €5.9 million (€8.2 million in fiscal year 2020), the revaluation, as a consequence of the conversion to the currency in which the consolidated financial statements are presented, at a value of +€1.5 million (-€4.5 million in the fiscal year 2019), and the impairment in the fiscal year 2021 for €22.3 million (€16.2 million in the fiscal year 2020).
- g) Marketing rights for Europe arising from the agreement with MC2 Therapeutics for the product for the treatment of psoriasis. As of 31 December 2021, the carrying value amounts to €12 million as a result of the additions in this fiscal year.
- h) Development and marketing rights for Europe derived from the agreement with Dermira for the product for the treatment of atopic dermatitis, currently in Phase-III development. There were no changes in 2021.
- i) Worldwide development and marketing rights derived from the agreement with Ichnos Science for ISB 880, an IL-1RAP antagonist monoclonal antibody for use in autoimmune diseases. On 31 December 2021, the carrying value came to €20.8 million as a result of the initial up-front fee incurred on 14 December 2021.

*Impairment losses*

The Group has conducted the impairment analyses for the main intangible assets, both those in progress and those in current operation. The key assumptions used for the impairment analyses, as well as the related sensitivity analyses, are shown in Note 5-d).

The itemisation of and changes in impairment losses on intangible assets recorded during 2021 and 2020 are as follows:

	Thousands of Euros							
	Balance as of 31.12.2019	Additions	Translation differences	Balance as of 31.12.2020	Additions	Derecognitions	Translation differences	Balance as of 31.12.2021
Industrial property	203,828	16,197	(12,488)	207,537	90,844	(45,000)	15,730	269,111
Development costs	52,816	-	3	52,819	-	-	-	52,819
Computer applications	5,072	-	-	5,072	-	(3,475)	-	1,597
<b>Total impairment losses</b>	<b>261,716</b>	<b>16,197</b>	<b>(12,485)</b>	<b>265,428</b>	<b>90,844</b>	<b>(48,475)</b>	<b>15,730</b>	<b>323,527</b>

The Group has revised downwards the net sales forecasts for the products linked to the cash-generating units "Almirall LLC" (formerly Aqua Pharmaceuticals, LLC) and "Allergan portfolio". This decline is explained by a slower than expected recovery in prescriptions in the US dermatology market, exacerbated by difficulties in accessing dermatologists, both for patients and for medical sales representatives. In the particular case of "Allergan Portfolio", the main impacts on the re-estimation of future flows derive from:

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- In-person visits to doctors are severely restricted due to the pandemic, and these restrictions are expected to continue in the long term.
- Increasing industry cost pressures favouring the use of generics over branded products for acute therapies.
- Increased reimbursement required by pharmaceutical managers to maintain and gain access to formularies.
- Increased value of co-pay coupons and fees required to limit switching from branded to generic products.

As a result of the new estimate made on 31 December 2021, an impairment loss of €90.8 million was recorded in the consolidated profit and loss statement (consisting of €22.2 million relating to the Almirall LLC CGU and €68.6 million relating to the Allergan portfolio CGU, which corresponds entirely to the product marketed with the brand Seysara, the carrying value of which has decreased by roughly 40%; both of these belonging to the "Dermatology USA" segment). After deducting the amortisation for the year ending on 31 December 2021, as well as the impairment, the carrying value of these assets, equivalent to their recoverable amount, comes to €23.9 million and €275.2 million, respectively, on 31 December 2021. The recoverable amount has been defined value in use method.

The impairment in 2020 corresponded to the portfolio acquired in the business combination of Aqua Pharmaceuticals, LLC in 2013 (now Almirall LLC), in the amount of €16.2 million.

As of 31 December 2021, and as a result of the impairment tests conducted as indicated in Note 5-d), the amount of accumulated impairment of Industrial Property and Development Expenses corresponds mainly to:

- Impairment of the "Allergan portfolio", corresponding to the Seysara product for a total of €73 million, as described in the same Note.
- Impairment of technology acquired from Almirall LLC (formerly Aqua Pharmaceuticals, LLC) in 2013 allocated to each product and defined as a pool of intangible assets totalling €171.6 million in 2021 (€138.2 million in 2020).
- Impairment of acquired development costs as a result of the takeover of Polichem Group following the decision to cease development activities on two projects in the United States and one in Europe. The itemisation of which is as follows:
  - i. P 3058 (Onychomycosis) impaired by an amount of €7 million
  - ii. P 3073 (Psoriasis nails) impaired by an amount of €45.7 million
- Impairment of €12 million on marketing rights for various dermatological products acquired from Shire in 2007.

Impairment losses generated or reversed have been recorded under "Impairment losses on property, plant and equipment, intangible assets and goodwill" in the accompanying consolidated income statements for 2021 and 2020.

## **10. Assets due to right of use**

The itemisation of the balance and changes in this heading in the consolidated balance sheet as of 31 December 2021 and 2020 is as follows:



(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

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Thousands of euros	Balance as of 31/12/2020	Recognitions	Derecognitions	Translation differences	Balance as of 31/12/2021
Construction	21,460	5,368	(1,080)	143	25,891
Machinery	288	-	(275)	(13)	-
Transport elements	8,886	2,536	(1,863)	26	9,585
<b>Total cost Rights of use</b>	<b>30,634</b>	<b>7,904</b>	<b>(3,218)</b>	<b>156</b>	<b>35,476</b>
Accum. A. Construction	(7,715)	(4,026)	906	(45)	(10,880)
Accum. A. Machinery	(200)	-	195	5	-
Accum. A. Transport elements	(3,399)	(2,819)	1,674	(19)	(4,563)
<b>Total Accum. A. Rights of use</b>	<b>(11,314)</b>	<b>(6,845)</b>	<b>2,775</b>	<b>(59)</b>	<b>(15,443)</b>
<b>Net Value Rights of use</b>	<b>19,320</b>	<b>1,059</b>	<b>(443)</b>	<b>97</b>	<b>20,033</b>

Thousands of euros	Balance as of 31/12/2019	Recognitions	Derecognitions	Translation differences	Balance as of 31/12/2020
Construction	16,470	6,316	(1,249)	(77)	21,460
Machinery	299	-	(11)	-	288
Transport elements	8,896	2,769	(2,748)	(31)	8,886
<b>Total cost Rights of use</b>	<b>25,665</b>	<b>9,085</b>	<b>(4,008)</b>	<b>(108)</b>	<b>30,634</b>
Accum. A. Construction	(4,305)	(4,433)	1,005	18	(7,715)
Accum. A. Machinery	(100)	(112)	11	1	(200)
Accum. A. Transport elements	(2,989)	(3,199)	2,747	42	(3,399)
<b>Total Accum. A. Rights of use</b>	<b>(7,394)</b>	<b>(7,744)</b>	<b>3,763</b>	<b>61</b>	<b>(11,314)</b>
<b>Net Value Rights of use</b>	<b>18,271</b>	<b>1,341</b>	<b>(245)</b>	<b>(47)</b>	<b>19,320</b>

This heading includes assets corresponding to leasing contracts, which mainly reflect the leasing of offices and transportation equipment (Note 5-e)).

The additions for the year correspond mainly to the renewal of vehicle contracts for the Group's sales networks and to the estimate of the term of the lease contract for the Group's headquarters (see Note 2-e)).

Payments made in 2021 and 2020 for leases came to €7,772 thousand and €8,289 thousand, respectively.

The itemisation of lease liabilities as of 31 December 2021 and 2020 is as follows, together with their future maturities (which coincide with the minimum future payments):

	Balance as of 31/12/2021	Balance as of 31/12/2020
<b>Liabilities for leasing</b>		
Current	6,278	6,262
Non-current	14,162	13,482
<b>Total</b>	<b>20,440</b>	<b>19,744</b>

Liabilities for leasing	Maturities	Thousands of Euros
Current	Up to 6 months	3,268
	From 6 months to 1 year	3,010
Non-current	From 1 to 2 years	5,388
	From 2 to 3 years	4,187
	From 3 to 4 years	3,642
	From 4 to 5 years	420
	More than 5 years	525
<b>Total</b>		<b>20,440</b>

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**11. Property, plant and equipment**

The changes in this heading in the consolidated balance sheets for 2021 and 2020 were as follows:

Thousands of euros	Balance as of 31/12/2020	Recognitions	Transfers	Derecognitions	Translation differences	Balance as of 31/12/2021
Land and construction	95,684	707	270	(403)	5	96,263
Technical installations and machinery	97,072	1,710	1,555	(4,561)	23	95,799
Other facilities, tools and furnishings	259,072	7,240	2,230	(18,703)	135	249,974
Other property, plant and equipment	24,183	1,028	460	(3,428)	114	22,357
Advances and property, plant and equipment in progress	9,902	8,253	(4,515)	(3)	-	13,637
<b>Total cost Property, plant and equipment</b>	<b>485,913</b>	<b>18,938</b>	<b>-</b>	<b>(27,098)</b>	<b>277</b>	<b>478,030</b>
Accum. A. Land and construction	(48,890)	(2,129)	-	403	(44)	(50,660)
Accum. A. Technical installations and machinery	(63,115)	(3,624)	-	4,514	-	(62,225)
Accum. A. Other facilities, tools and furnishings	(238,288)	(8,739)	-	18,666	(85)	(228,446)
Accum. A. Other property, plant and equipment	(22,072)	(527)	-	3,416	(103)	(19,286)
<b>Total Accum. A. Property, plant and equipment</b>	<b>(372,365)</b>	<b>(15,019)</b>	<b>-</b>	<b>26,999</b>	<b>(232)</b>	<b>(360,617)</b>
Impairment losses	-	-	-	-	-	-
<b>Net value Property, plant and equipment</b>	<b>113,548</b>	<b>3,919</b>	<b>-</b>	<b>(99)</b>	<b>45</b>	<b>117,413</b>

Thousands of euros	Balance as of 31/12/2019	Recognitions	Transfers	Derecognitions	Translation differences	Balance as of 31/12/2020
Land and construction	95,513	187	-	-	(16)	95,684
Technical installations and machinery	95,607	3,347	1,384	(3,263)	(3)	97,072
Other facilities, tools and furnishings	257,859	5,203	4,422	(8,338)	(74)	259,072
Other property, plant and equipment	23,134	1,052	171	(88)	(86)	24,183
Advances and property, plant and equipment in progress	13,892	2,105	(5,977)	(118)	-	9,902
<b>Total cost Property, plant and equipment</b>	<b>486,005</b>	<b>11,894</b>	<b>-</b>	<b>(11,807)</b>	<b>(179)</b>	<b>485,913</b>
Accum. A. Land and construction	(46,721)	(2,209)	-	-	40	(48,890)
Accum. A. Technical installations and machinery	(62,555)	(3,823)	-	3,261	2	(63,115)
Accum. A. Other facilities, tools and furnishings	(237,962)	(8,752)	-	8,319	107	(238,288)
Accum. A. Other property, plant and equipment	(21,219)	(1,012)	-	73	86	(22,072)
<b>Total Accum. A. Property, plant and equipment</b>	<b>(368,457)</b>	<b>(15,796)</b>	<b>-</b>	<b>11,653</b>	<b>235</b>	<b>(372,365)</b>
Impairment losses	-	-	-	-	-	-
<b>Net value Property, plant and equipment</b>	<b>117,548</b>	<b>(3,902)</b>	<b>-</b>	<b>(154)</b>	<b>56</b>	<b>113,548</b>

The additions for fiscal years 2021 and 2020 are largely due to upgrades at the Group's chemical and pharmaceutical production facilities and improvements at the Group's headquarters.

As of 31 December 2021, and 2020, the Group does not hold any non-impaired assets not used in operations.

The transfer of property, plant and equipment in progress made by the Group in the fiscal years ending on 31 December 2021 and 2020 corresponds basically to the transfer of investment projects in the production centres that began operations during those years.

During the year 2021 and 2020, several assets that were fully depreciated and in disuse, mainly consisting of production centres located in Spain, have been written off.

As of 31 December 2021, and 2020, the carrying value of property, plant and equipment owned by subsidiaries located in foreign countries amounts to €23.2 million and €26.9 million, respectively, which are almost entirely in the company Almirall Hermal GmbH, located in Germany, being of little relevance in the rest of the countries.

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The Group occupies various facilities under operating leases, as detailed in Note 10.

The Group has taken out insurance policies to cover the possible risks to which the various items of its property, plant and equipment are subject, as well as the possible claims that may arise in the course of its operations, and it considers that these policies sufficiently cover the risks to which these items are subject.

The only asset acquisition commitments are detailed in Note 26.

No property, plant and equipment is subject to any mortgage guarantee.

**12. Non-current financial assets/current financial assets/other cash equivalents and other current assets**

As explained in Note 5-i) and pursuant to IFRS 9, the Group classifies its financial assets into the following valuation categories:

- those measured subsequently at fair value (either with changes in other comprehensive income or in income), and
- those that are measured at amortised cost.

In this sense, this classification is distributed as follows:

- Financial assets measured at fair value through profit or loss: these assets do not meet the criteria for classification at amortised cost in accordance with IFRS 9 because their cash flows do not represent only payments of principal and interest. Consequently, this item includes the balances receivable arising from the recognition of the sale of a business to AstraZeneca described in Note 7, as well as those derivative financial instruments that do not qualify for hedge accounting.
- Financial assets measured at fair value with changes in other comprehensive income: equity instruments, such as the interest in Suneva Medical Inc. of Dermelle LLC (which were measured at fair value in the year ending on 31 December 2018), are considered to be included under this heading.
- Financial assets measured at amortized cost: this item includes fixed-income investments made mainly through eurodeposits, foreign currency deposits and repos. At the date of initial application, the Group's business model is to hold these investments in order to receive contractual cash flows that represent only payments of principal and interest on the principal amount.

*Non-current assets*

The itemisation of and changes in this heading in the consolidated balance sheet in 2021 and 2020 are as follows:

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	Thousands of Euros		
	Deposits and guarantees	Long-term loans and other financial assets	Total
<b>Balance as of 31 December 2019</b>	<b>964</b>	<b>102,220</b>	<b>103,184</b>
Additions and provisions	510	105	615
Derecognitions	-	(238)	(238)
Transfers	-	(18,357)	(18,357)
Translation differences	(70)	(258)	(328)
Valuation adjustments	-	(3,371)	(3,371)
Changes in fair value (Note 21)	-	5,013	5,013
<b>Balance as of 31 December 2020</b>	<b>1,404</b>	<b>85,114</b>	<b>86,518</b>
Additions and provisions	89	-	89
Derecognitions	-	(1)	(1)
Transfers	-	(13,136)	(13,136)
Translation differences	131	(33)	98
Valuation adjustments	-	-	-
Changes in fair value (Note 21)	-	6,934	6,934
<b>Balance as of 31 December 2021</b>	<b>1,624</b>	<b>78,878</b>	<b>80,502</b>

The item "Financial assets - Long-term loans and other financial assets" includes, mainly in the amount of €78,848 thousand (€85,050 thousand on 31 December 2020), the financial asset corresponding to the fair value of future long-term payments to be received from AstraZeneca as described in Note 7. The change in fiscal year 2021 is mainly due, on the one hand, to the recognition of changes in the fair value of the asset, representing an increase of €6.9 million in this asset and, on the other hand, to the decrease arising from the transfer to the short term for €13.1 million, based on the expectations of the time frame for collection, and with €19,327 thousand classified under the heading "Trade and other receivables" at 31 December 2021 (Note 14).

The change in value of this financial asset during the fiscal year ending on 31 December 2021 is due, on the one hand, to the fluctuation of the euro/US dollar exchange rate for an amount of €4.0 million; the net present value which resulted in income totalling €9.5 million, the change in the discount rate for €1.4 million, as well as the re-estimation of expected flows and probabilities assigned to the various future milestones for the amount of -€8.0 million and, lastly, reduction of the asset due to the collection of royalties for the amount of €14.0 million. As a result, the total amount of €6.9 million of change in fair value is recorded in "Other income" in the consolidated income statement for the fiscal year ending on 31 December 2021 (Note 21).

As indicated in Note 2-c), the proceeds from the sale made during the fiscal year to AstraZeneca, amounting to €52 million, which were previously classified as operating cash flows, have been reclassified as investment cash flows in the comparison year 2020.

Finally, in relation to this asset it should be noted that on 29 October 2021 AstraZeneca announced the agreement with Covis Pharma Group to transfer the global rights to Eklira (aclidinium bromide) and Duaklir (aclidinium bromide/formoterol). This agreement took effect on 5 January 2022 and the estimated impact of this agreement starting in the fiscal year beginning on 1 January 2022 are detailed in Note 34.

There are no other non-current financial assets worthy of mention.

*Current financial investments*

The itemisation of the balance of this heading in the consolidated balance sheet is as follows:

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	Thousands of Euros	
	31/12/2021	31/12/2020
Short-term bonds and others	-	4
Short-term deposits	810	5,949
Short-term guarantees	89	72
<b>Total cash equivalents</b>	<b>899</b>	<b>6,025</b>
Short-term loans	-	-
Derivative financial instruments (Note 17)	-	-
Short-term deposits	-	-
<b>Total non-cash equivalents</b>	<b>-</b>	<b>-</b>
<b>Total Current financial investments</b>	<b>899</b>	<b>6,025</b>

In accordance with IAS 7, for the purposes of preparing the Cash Flow Statement, the Group considers as cash equivalents all highly liquid short-term investments that are readily convertible to specific amounts of cash, since the risk of changes in value to which they are subject is negligible (see Note 5-i)). In this regard, in the preparation of the consolidated cash flow statement for the fiscal year, current financial investments, consisting of bank deposits maturing in the short term that can be made liquid immediately at the Group's discretion without any penalty, which on 31 December 2021 come to €899 thousand (€6,025 thousand on 31 December 2020), have been included as cash equivalents.

There are no restrictions on the availability of such cash and cash equivalents.

Details of current and non-current financial investments are as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Long-term financial assets measured at amortized cost (deposit account)	1,654	1,468
Financial assets at fair value through profit or loss (Financial asset with AZ <sup>1</sup> )	78,848	85,050
Financial assets at fair value through profit or loss (Note 17)	-	-
Financial assets at amortized cost (fixed income securities, deposits)	899	6,025
<b>Total</b>	<b>81,401</b>	<b>92,543</b>

(1) Includes mainly the long-term portion of the fair value of future payments to be received from AstraZeneca on 31 December 2021 and 2020. On 31 December 2021 in the short term there were €19.3 million (€20.2 million on 31 December 2020), classified under the heading "Other receivables" (Note 14).

In addition, the bank accounts included under the headings of Cash were mostly non-interest-bearing during the years ending on 31 December 2021 and 2020.

### 13. Inventories

On 31 December 2021 and 2020 the composition of this heading is as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Raw materials and packaging materials	40,422	44,227
Products in progress	16,666	12,941
Merchandises	16,448	17,133
Finished Goods	44,939	55,752
Advances to suppliers	157	98
<b>Total</b>	<b>118,632</b>	<b>130,151</b>

No inventories are subject to warranty. On 31 December 2021 and 2020, there are no commitments to purchase stock worthy of note.

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**14. Trade and other receivables**

On 31 December 2021 and 2020 the composition of this heading is as follows:

	Thousands of euros	
	31/12/2021	31/12/2020
Trade receivables for sales and services	104,911	95,470
Other receivables	25,834	23,595
Provision for impairment losses	(3,074)	(7,770)
<b>Total receivables</b>	<b>127,671</b>	<b>111,295</b>

As of 31 December 2021, the heading "Other receivables" mainly includes €19.3 million, which corresponds to the fair value of future payments to be received in the short term from AstraZeneca as described in Note 7-a) and Note 12 of the present consolidated financial statements (€20.2 million as of 31 December 2020).

On 31 December 2021 and 2020, the total overdue and deteriorated balances amount to €3,074 thousand and €7,770 thousand, respectively. In addition, as a result of the application of the "expected loss" model (simplified approach) provided for in IFRS 9 (Note5-i)), the Group has recognised an impairment loss on financial asset balances (Trade receivables) of €1,070 thousand on 31 December 2021 (€1,530 thousand on 31 December 2020). Itemised below is the balance of debtors according to their maturity as of 31 December 2021:

	Thousands of euros			
	Trade receivables for sales and services	Other receivables	Valuation adjustments for impairment	Total receivables
Not matured	94,266	25,834	-	120,100
Less than 30 days	5,988	-	-	5,988
From 30 to 60 days	2,289	-	(706)	1,583
From 60 to 90 days	334	-	(334)	-
From 90 to 180 days	753	-	(753)	-
From 180 to 360 days	331	-	(331)	-
More than 360 days	950	-	(950)	-
<b>Balance as of 31/12/2021</b>	<b>104,911</b>	<b>25,834</b>	<b>(3,074)</b>	<b>127,671</b>

The change in the provision for impairment losses on trade and other receivables is included in Note 21. The reduction in the provision in 2021 is mainly due to the cancellation of old customer balances that were finally written off (and therefore had no impact on the income statement for the year).

There is no concentration of credit risk with respect to trade receivables, since the Group has a large number of customers.

As of 31 December 2021, the percentage of balances with public administrations for the hospital business, out of the total receivables, comes to 3.6% (3.1% on 31 December 2020).

There are no guarantees on customer balances.

Customer balances are stated at nominal value, and there are no significant differences compared to their fair value.

The balance of customers in foreign currencies amounted to €57,692 thousand at the end of 2021 (€73,900 thousand at the end of 2020). Given the amounts and associated maturities, the potential impact of exchange rate fluctuations is not considered significant.

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## 15. Equity

### *Share capital*

The Parent Company's share capital as of 31 December 2021 is represented by 179,776,802 shares with a par value of €0.12, fully subscribed and paid up (178,115,627 shares as of 31 December 2020).

On 11 June 2021, an amount of 1,661,175 new shares of the Parent Company from the flexible dividend were admitted to trading on the Barcelona, Madrid, Bilbao and Valencia stock exchanges. These shares were representative of the holders of 64.4% of the rights to be allotted shares at no charge who opted to receive new shares instead of cash. As a result, the share capital of the Parent Company following the issue of fully paid-up shares was increased by €199,341, amounting to €21,573,216.24 on 31 December 2021 (represented by 179,776,802 shares).

As of 31 December 2021, and 2020, all of the Parent Company's shares were listed on the Spanish stock exchanges, and there were no statutory restrictions on their free transfer. Moreover, pursuant to the shareholders' agreement signed on 28 May 2007, first refusal rights and put and call options have been granted between ultimate shareholders in the Parent Company with respect to the shares of one of such shareholders.

The shareholders with significant holdings in the share capital of Almirall, S.A., both direct and indirect, in excess of 3% of the share capital, of which the Parent Company is aware, according to the information contained in the official records of the National Securities Market Commission (CNMV) as of 31 December 2021 and 2020, are as follows:

<i>Name or company name Of the direct shareholder</i>	<b>% Interest 31/12/2021</b>	<b>% Interest 31/12/2020</b>
Grupo Plafin, S.A.	40.9%	40.9%
Grupo Corporativo Landon, S.L.	18.8%	18.8%
Wellington Management	5.1%	-
Artisan Partners	3.6%	-
<b>Total</b>	<b>68.4%</b>	<b>59.7%</b>

As of 31 December 2021, and 2020, the Parent Company was not aware of any other holdings equal to or greater than 3% of the share capital or voting rights of the Parent Company which, although less than the established percentage, would enable the exercise of significant influence over the Parent Company.

### *Legal reserve*

The part of the balance of the legal reserve that exceeds 10% of the previously increased capital may be used for a capital increase. Except for the aforementioned purpose, and provided that it does not exceed 20% of share capital, this reserve may only be used to offset losses only if there are no other reserves available sufficient for this purpose.

The amount of €4,275 thousand found in this account as of 31 December 2021 corresponds to the balance of the Parent Company's legal reserve (€4,189 thousand on 31 December 2020).

### *Share premium*

The Spanish Capital Companies Act expressly permits the use of the share premium balance to increase capital and does not establish any specific restrictions on the availability of this balance.

As a result of the increase in capital released as a result of the flexible dividend, this item was increased by the difference between the par value of the shares and the value equivalent to the dividend, which comes to €21,896 thousand, and therefore the balance of this item totals €295,785 thousand on 31 December 2021 (on 31 December 2020: €273,889 thousand).

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*Other reserves*

The itemisation of this account is as follows:

	Thousands of euros	
	31/12/2021	31/12/2020
Reserves Investments Canary Islands	3,485	3,485
Reserve amortised capital	30,539	30,539
Reserve merger	4,588	4,588
Revaluation reserve	2,539	2,539
Other voluntary reserves	1,004,863	1,029,079
<b>Subtotal Other reserves of the Parent Company</b>	<b>1,046,014</b>	<b>1,070,230</b>
Reserves in consolidated companies	(20,274)	(84,843)
Treasury shares	(2,131)	(2,261)
<b>Total other reserves</b>	<b>1,023,609</b>	<b>983,126</b>

There is a limit on distributions that would reduce the balance of reserves to an amount less than the total outstanding balance of development costs, which come to €8.1 million on 31 December 2021 (€3.3 million on 31 December 2020.)

- Reserves Investments Canary Islands

In compliance with the requirements of Law 19/1994, and in order to be able to benefit from the tax incentives that it establishes, the Parent Company allocates to these Reserves for Canary Islands Investments (RIC) part of the profits obtained by the establishment located in the Canary Islands, which is a restricted reserve since assets of which it consists must remain within the company.

On 31 December 2021 and 31 December 2020, the balance of these reserves comes to €3,485 thousand, included under "Other Reserves of the Parent Company".

- Reserves for amortized capital

In accordance with the revised text of the Spanish Capital Companies Act, these reserves may only be used subject to the same requirements as for the reduction of share capital.

On 31 December 2021 and 31 December 2020, the balance of these reserves amounts to €30,539 thousand.

- Liquidity contract and treasury shares

The Parent Company has a liquidity contract with a financial intermediary, effective from 4 March 2019, with the aim of favouring liquidity and stability of prices of the Company's shares, within the limits established by the General Shareholders' Meeting and by current regulations, in particular, Circular 1/2017, of 26 April, of the National Securities Market Commission (CNMV), on liquidity contracts. This contract means that as of 31 December 2021 the Parent Company holds treasury shares representing 0.08% of the share capital (0.09% on 31 December 2020) and an overall nominal value of €16.8 thousand, which have been recognised in accordance with EU-IFRS. The average acquisition price of these shares was €11.3 per share. The treasury shares held by the Parent Company are intended to be traded on the market.

- Valuation adjustments and other adjustments-

On 31 December 2021, this amount of this item comes to €-44,409 thousand, and on 31 December 2020, to €-48,797 thousand, and it is mainly related with:

- Net accumulated actuarial losses due to recalculations of the valuations of the retirement benefit obligations as a result of changes in the calculation assumptions: €-34,317 thousand on 31 December 2021, and €-35,983 thousand on 31 December 2020.
- Financial assets measured at fair value through other comprehensive income: in accordance with the application of IFRS 9 (see Note 12), the Group recorded under this heading the impairment losses of the investees Suneva Medical Inc and Dermelle LLC. On 31 December 2021 and 31 December 2020, the accumulated balance is €-10,092 thousand.



(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

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#### Translation differences

This heading in the accompanying consolidated balance sheet includes the net amount of exchange differences arising due to translation of equity of companies with a functional currency other than the euro into the Group's reporting currency.

At the close of fiscal years 2021 and 2020, the itemisation of the balance of this heading by companies is shown below:

	Thousands of Euros	
	31/12/2021	31/12/2020
Almirall Limited (UK)	(550)	(1,357)
Almirall, A.G.	461	240
Almirall SP, Z.O.O.	(194)	(182)
Almirall Aps	7	5
Almirall Inc / Almirall LLC (USA)	24,312	(6,352)
Polichem, S.A.	2,029	2,551
<b>Total translation differences</b>	<b>26,065</b>	<b>(5,095)</b>

The changes in the years ending on 31 December 2021 and 2020 were as follows:

	Thousands of euros
<b>Balance as of 31 December 2019</b>	<b>38,522</b>
Variations due to exchange differences	(43,617)
Transfer to profits and loss account	-
<b>Balance as of 31 December 2020</b>	<b>(5,095)</b>
Variations due to exchange differences	31,160
Transfer to profits and loss account	-
<b>Balance as of 31 December 2021</b>	<b>26,065</b>

The changes in translation differences generated in 2021 and 2020 are entirely due to the variation due to exchange rate differences, mainly derived from the subsidiaries Almirall Inc and Almirall LLC (both U.S. subsidiaries), as well as the exchange differences incurred due to a loan in dollars (with a nominal value on that date of US\$199.5 million) granted by the Parent Company to the subsidiary Almirall Inc. Due to the change in the maturity conditions of the loan in 2020, this loan was not expected to be repaid, and so it became part of the net investment in that company. Therefore, from that moment on, the exchange differences on this loan were recognised under this heading of translation differences. Subsequently, on 24 November 2021, Almirall, S.A. proceeded to capitalise the nominal amount of this loan together with the interest pending payment. Hence, from that date on, no additional exchange difference has been generated in the Parent Company.

#### 16. Deferred income

As of 31 December 2021, and 2020, the balance of the heading "Deferred income" has the following composition:

	Thousands of Euros
<b>Balance as of 31 December 2019</b>	<b>69,652</b>
Allocation to income (Note 21)	(52,246)
Other changes	-
<b>Balance as of 31 December 2020</b>	<b>17,406</b>
Allocation to income (Note 21)	(17,406)
Other changes	-
<b>Balance as of 31 December 2021</b>	<b>-</b>

As of 31 December 2021, there is no deferred income pending allocation to the income statement. The main component of the balances as of 31 December 2020 shown in the table above consists of the

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amounts not allocated to income for the initial non-refundable incoming payments from the transaction with AstraZeneca described in Note 7-a). As of 31 December 2020, initial incoming payments under the contracts for the transfer of rights to AstraZeneca pending recognition in Income came to €17.4 million.

As of 31 December 2021, €17,406 thousand corresponding to the allocation of deferred income in accordance with the established development plan (€20,839 thousand in 2020) have been recognised under the heading "Net turnover".

In the first quarter of 2020, the Group decided to end its involvement in the development of one of the products. Hence, in 2020, €31,407 thousand, which corresponds to the amount pending deferral as of 31 December 2019, was recognised under the heading "Net turnover".

## 17. Financial debts

As detailed in Note 5-i), the Group classifies its financial liabilities into the following valuation categories:

- Financial liabilities at fair value with changes in the income statement:

This heading is considered to include liabilities related with bonds and other marketable securities issued and quoted that the Group may purchase in the short term in accordance with changes in value, a portfolio of identified financial instruments that are managed jointly and for which there is evidence of recent actions to obtain gains in the short term, or derivative financial instruments, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

- Financial liabilities valued at amortised cost:

This heading includes mainly unsecured debentures, debts with credit institutions and (revolving) credit lines. At the date of initial application, the Group's business model is to maintain this financing to pay contractual cash flows that represent only payments of principal and interest on the principal amount.

The composition of debts with credit institutions and other financial liabilities as of 31 December 2021 is as follows:

	Limit	Balance drawn down (*)	Current	Non-current			
				2023	2024	Rest	Total
<b>Financial liabilities at amortised cost</b>							
Credit facilities	275,000	-	-	-	-	-	-
Loans with credit institutions	80,000	75,000	10,000	10,000	10,000	45,000	65,000
Senior unsecured bonds	300,000	294,692	-	-	-	294,692	294,692
<b>Financial liabilities at fair value through profit or loss</b>							
Liabilities for derivative financial instruments	N/A	-	-	-	-	-	-
<b>Accrued interest to be paid</b>	<b>N/A</b>	<b>2,314</b>	<b>2,314</b>	-	-	-	-
<b>Total as at 31 December 2021</b>	<b>655,000</b>	<b>372,006</b>	<b>12,314</b>	<b>10,000</b>	<b>10,000</b>	<b>339,692</b>	<b>359,692</b>

(\*) Balance drawn down net of issuance costs.

The composition of debts with credit institutions and other financial liabilities as of 31 December 2020 was as follows:

	Limit	Balance drawn down (*)	Current	Non-current			
				2022	2023	Rest	Total
<b>Financial liabilities at amortised cost</b>							
Credit facilities	275,000	-	-	-	-	-	-
Loans with credit institutions	230,000	229,345	5,000	10,000	159,345	55,000	224,345
Convertible bond	250,000	239,648	239,648	-	-	-	-
<b>Financial liabilities at fair value through profit or loss</b>							
Liabilities for derivative financial instruments	N/A	2,966	2,966	-	-	-	-
<b>Accrued interest to be paid</b>	<b>N/A</b>	<b>686</b>	<b>686</b>	-	-	-	-
<b>Total as at 31 December 2020</b>	<b>755,000</b>	<b>472,645</b>	<b>248,300</b>	<b>10,000</b>	<b>159,345</b>	<b>55,000</b>	<b>224,345</b>

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(\*) Balance drawn down net of issuance costs.

*Senior unsecured Notes -*

On 22 September 2021, the Parent Company proceeded to conclude and disburse an issuing of senior unsecured Notes for an aggregate nominal amount of €300 million, at a fixed annual interest rate of 2.125%, maturing on 22 September 2026. The funds obtained were mainly used to settle the convertible bond for a nominal amount of €250 million. The Notes have been placed among qualified investors by BNP Paribas and JP Morgan AG as well as coordinating entities. The effective interest rate of these Notes is 2.5% and, as of 31 December 2021, there is unpaid accrued interest of €1,742 thousand.

The debt from these Notes is stated at nominal amount (€300 million) net of issuance costs (which amounted to €5.6 million), which will be recorded over the life of the Notes at amortised cost using the effective interest method.

*Debts with credit institutions-*

Details of debts with credit institutions as of 31 December 2021 and 2020 are as follows:

	Limit	Balance drawn down	Final maturity	Nominal interest rate	Effective interest rate
<b>Debts with credit institutions</b>					
Revolving credit facility	275,000	-	17/07/2023	1.22% (Euribor + Margin)	1.41%
European Investment Bank Loan	80,000	75,000	17/04/2029	1.35%	1.35%
<b>Total as at 31 December 2021</b>	<b>355,000</b>	<b>75,000</b>			

	Limit	Balance drawn down	Final maturity	Nominal interest rate	Effective interest rate
<b>Debts with credit institutions</b>					
Revolving credit facility	275,000	-	17/07/2023	1.22% (Euribor + Margin)	1.41%
Syndicated "Club Bank Deal" loan	150,000	149,345	14/12/2023	2.10%	2.26%
European Investment Bank Loan	80,000	80,000	17/04/2029	1.35%	1.35%
<b>Total as at 31 December 2020</b>	<b>505,000</b>	<b>229,345</b>			

On 17 July 2020, the Parent Company arranged a revolving credit facility for €275 million for an initial term of three years with the possibility of an extension for an additional year (this renewal was granted on 30 June 2021, and entered into force on 17 July 2021), and this facility was earmarked for general corporate purposes. The credit facility contract obliges the Parent Company to comply with a series of covenants, including most notably compliance with a certain ratio of "Consolidated net financial debt / consolidated EBITDA". This covenant is fulfilled on 31 December 2021 and 2020.

On 4 December 2018, the Parent Company entered into an unsecured syndicated Club Bank Deal loan led by BBVA for €150 million. The contract for this line of credit obliges the Parent Company to comply with a series of covenants, including most notably compliance with a certain "Ratio of Consolidated net financial debt / consolidated EBITDA". This covenant was fulfilled on 31 December 2020. On 27 September 2021, the Parent Company proceeded to the early cancellation of this syndicated loan without any penalty.

On 27 March 2019, the Parent Company arranged a loan facility with the European Investment Bank (EIB) for up to €120 million to fund its research and development efforts, with the objective of providing cutting-edge innovation and differentiated therapies in the area of medical dermatology. On 17 April 2019, the first tranche of €80 million was granted, with 32 equal repayments of principal between 17 April 2021 and 17 April 2029, with the latter date being the final maturity. Due to the issue of new debt in 2021, the interest rate is temporarily increased by 0.30%. The loan agreement requires the Parent Company to comply with a series of covenants, including most notably compliance with a ratio of "Consolidated net financial debt / consolidated EBITDA" ratio and a ratio of "Financial leverage of subsidiaries / consolidated EBITDA". Both covenants are fulfilled on 31 December 2021 and 2020.

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*Convertible bond-*

On 4 December 2018, issuing of simple unsecured bonds with final maturity on 14 December 2021 was also arranged for a maximum aggregate nominal amount of €250 million, possibly convertible into or exchangeable for ordinary shares of the Parent Company at a fixed conversion price of €18.1776 per share. These bonds accrued a nominal interest rate of 0.25%, with an effective interest rate of 4.8%.

For this issuing of bonds, in accordance with IFRS 9, the fair value of the derivative financial instruments embedded in the host instrument (the financial liability for the bond) was first determined. The initial recognition value of the host instrument was determined on a residual basis after deducting the fair value assigned to the derivative financial instruments from the total value of the instrument.

Within the derivative financial instrument, the following options with a significant value were identified that required the separation of the host contract:

- Conversion option: due to the fact that, within the scenarios for share conversion price adjustment, there are mechanisms whose nature implies that recording as equity is not appropriate, this option represents a derivative financial instrument separable from the host contract (financial liability) for the Group.
- Cancellation option: the Parent Company has the right to early redemption of the bonds in their entirety, but not in part, at their nominal value plus unpaid accrued interest.

As of 31 December 2020, the fair value of these options amounted to €2.3 million.

The change in the fair value of these options has been recognised in the income statement between the time of initial recognition and the valuation made at the time of closing. For the fiscal year ending on 31 December 2021, the impact on the Group's income statement amounted to €2.3 million in profits (€16.8 million in profits on 31 December 2020, Note 21). Both options have been recognised at net value, as permitted by IFRS 9.

The valuation of both options was carried out by an independent expert using standard valuation methodologies for derivative financial instruments and pursuant to IFRS 13 and IFRS 9.

On 14 December 2021, the Parent Company cancelled the convertible bond in full at maturity.

*Derivative financial instruments-*

On 10 May 2018, the Ordinary General Meeting of Shareholders arranged the completion of a swap transaction of interest rate and shares ("Equity swap"). This transaction is made effective by means of a contract dated 11 May 2018 with Banco Santander, S.A., whereby Almirall S.A. undertakes to pay a variable interest to the bank as compensation and Banco Santander, S.A. undertakes as acquirer of underlying ordinary shares of the company Almirall S.A. with a maximum nominal limit of 2.99% of the share capital (5.102.058 shares or €50 million), and with a term of 24 months and an extension of 4 months, to hand over the dividend received for its investment in Almirall S.A. and to sell the shares of Almirall, S.A. to the company itself on maturity.

In addition, when the fair value is less than 85% of the cost value, the Group must offset the loss by contributing cash to the bank (thereby reducing the fair value of the derivative). Once a settlement has been made, if the fair value exceeds 110% of the last value at which a settlement occurred, then the Group will reclaim the payments made proportionately up to 100% of the initial value of the derivative (always limited to the cost of acquisition by Banco Santander). For this reason, the Group has opted to classify this asset/liability as current.

Consequently, under the heading "Assets due to derivative financial instruments" (in the case of unrealised gains) or "Liabilities due to derivative financial instruments" (in the case of unrealised losses), the fair value of the derivative has been recognised, which corresponds to the difference between the fair value of the underlying asset (2,510,952 shares equivalent to €35.1 million, corresponding to 1.4% of the Parent Company's share capital) and the acquisition cost of the shares for Banco Santander, which on 31 December 2021 amounts to a loss of €6.7 million, the entirety of which difference has been deposited with the bank, and therefore at the close of the fiscal year the liabilities come to €0 million. As of 31 December 2020, this amounted to a capital loss of €9.3 million, of which €6.9 million had been deposited with the bank, leaving a liability at year-end totalling €0.7 million. (Note 12). It is considered that the value of the derivative of the option that would entail the acquisition of the total maximum shares (€50 million) would not be significant at the closing date. Since this derivative does not meet the

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requirements for hedge accounting, it is recorded with changes in the income statement (Note 21). For the fiscal year ending on 31 December 2020, the impact on the Group's consolidated income statement amounted to €1.0 million in profits (€9.3 million in losses for the fiscal year ending on 31 December 2020).

At the date of drafting of these consolidated financial statements, the Parent Company's Administrators consider that no breach of the aforementioned obligations (including the aforementioned series of covenants) has occurred.

Interest accrued and payable on 31 December 2021 amounts to €2,314 thousand (€686 thousand on 31 December 2020).

The average cost of debt for the years ending on 31 December 2021 and 2020 was 0.85% and 0.77%, respectively.

The recorded balance of financial liabilities at amortized cost approximates their fair value.

Moreover, in application of the amendment to IAS 7, below we provide a reconciliation of the cash flows arising from financing activities with the corresponding liabilities in the opening and closing statements of financial position, separating the movements that involve cash flows from those that do not.

	Balance 01.01.2021	Cash Flow	Interest paid	Interest accrued	Changes in fair value	Balance 31.12.2021
<b>Financial liabilities at amortised cost</b>						
Credit facilities	-	-	-	-	-	-
Loans with credit institutions	229,345	(155,000)	(1,080)	1,735	-	75,000
Convertible bond	239,648	(250,000)	(596)	10,948	-	-
Senior unsecured bonds	-	294,411	-	281	-	294,692
<b>Financial liabilities at fair value through profit or loss</b>						
Liabilities for derivative financial instruments	2,966	252	-	-	(3,218)	-
<b>Accrued interest to be paid</b>	<b>686</b>	<b>-</b>	<b>(4,454)</b>	<b>6,082</b>	<b>-</b>	<b>2,314</b>
<b>Total Financial debt</b>	<b>472,645</b>	<b>(110,337)</b>	<b>(6,130)</b>	<b>19,046</b>	<b>(3,218)</b>	<b>372,006</b>

	Balance 01.01.2020	Cash Flow	Interest paid	Interest accrued	Translation differences	Changes in fair value	Balance 31.12.2020
<b>Financial liabilities at amortised cost</b>							
Credit facilities	15,133	(15,499)	-	-	366	-	-
Loans with credit institutions	229,133	-	-	212	-	-	229,345
<b>Financial liabilities at fair value through profit or loss</b>							
Convertible bond	229,245	-	-	10,403	-	-	239,648
Liabilities for derivative financial instruments	19,082	(6,951)	-	-	-	(9,165)	2,966
<b>Accrued interest to be paid</b>	<b>452</b>	<b>-</b>	<b>(6,536)</b>	<b>6,770</b>	<b>-</b>	<b>-</b>	<b>686</b>
<b>Total Financial debt</b>	<b>493,045</b>	<b>(22,450)</b>	<b>(6,536)</b>	<b>17,385</b>	<b>366</b>	<b>(9,165)</b>	<b>472,645</b>

## 18. Trade payables and Other liabilities

### a) Trade payables

On 31 December 2021 and 2020 the composition of this item is as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Suppliers	73,500	65,900
Trade payables	104,300	96,243
<b>Total short-term trade payables</b>	<b>177,800</b>	<b>162,143</b>

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**b) Other current and non-current liabilities**

On 31 December 2021 and 2020 the composition of this item is as follows:

	Thousands of Euros				
	Current	Non-current			
		2023	2024	Rest	Total
Loans linked to research	2,167	1,519	860	1,427	3,806
Debts for purchases of fixed assets	30,517	-	-	-	-
Remuneration to be paid	31,675	5,027	1,625	5,701	12,353
Long-term tax liabilities	-	-	-	6,459	6,459
Other debts	771	-	-	-	-
<b>Total as at 31 December 2021</b>	<b>65,130</b>	<b>6,546</b>	<b>2,485</b>	<b>13,587</b>	<b>22,618</b>

	Thousands of Euros				
	Current	Non-current			
		2022	2023	Rest	Total
Loans linked to research	2,608	2,118	1,592	1,929	5,639
Debts for purchases of fixed assets	3,818	-	-	-	-
Remuneration to be paid	29,693	1,579	2,353	3,343	7,275
Long-term tax liabilities	-	-	-	6,519	6,519
Other debts	275	-	-	1	1
<b>Total as at 31 December 2020</b>	<b>36,394</b>	<b>3,697</b>	<b>3,945</b>	<b>11,792</b>	<b>19,434</b>

Loans linked to research refers to zero-interest loans granted by the Ministry of Science and Technology to promote research and are presented as described in Note 5-i). The granting of these loans is subject to the implementation of certain investments and expenses during the years for which they are granted, and the loans mature between 2022 and 2030.

Debts for purchases of fixed assets refer basically to disbursements pending on the acquisition of goods, products and marketing licenses contracted in the fiscal year and prior years. The balance as of 31 December 2021 mainly includes the amount corresponding to the initial up-front payment of the agreement with Ichnos Science as described in Note 9, which has been paid on 19 January 2022. The balance as of 31 December 2020 included amounts pending payment for investments in progress, mainly for production plants.

As of 31 December 2021, and 31 December 2020, the balance of Remuneration to be paid mainly includes balances to be paid to employees for the accrued portions of special payments, as well as the Group's bonuses for achieving targets and the long-term remuneration provision (Note 5-p)).

As a result of the application of IFRIC 23 "Uncertainty over income tax treatments" (Note 5-p)), as of 31 December 2021, €6,459 thousand is classified as "Long-term tax liabilities" (€6,519 thousand on 31 December 2020).

There are no significant differences between the fair value of the liabilities and the amount recognised.

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**19. Provisions**

The changes in 2021 and 2020 in the heading "Provisions" in the accompanying consolidated balance sheet were as follows:

	Thousands of euros	
	2021	2020
<b>Balance as of 1 January</b>	<b>35,899</b>	<b>32,806</b>
Additions and provisions	380	505
Write-downs or transfers	(11,774)	2,588
<b>Balance as of 31 December</b>	<b>24,505</b>	<b>35,899</b>

This refers mainly to the Group's estimate of the disbursements that it would have to make in the future to meet other liabilities arising from the nature of its business.

**20. Retirement benefit obligations**

The retirement benefit obligations are related mainly with the subsidiaries Almirall Hermal GmbH, Almirall, AG and Polichem, S.A. and are related with unfunded plans (there are no assets assigned to these plans), as described in Note 5-l).

The changes in the defined benefit obligation were as follows:

	2021	2020
<b>At 1 January</b>	<b>85,641</b>	<b>79,429</b>
Current services cost	304	79
Interest cost	399	769
Contributions from plan participants	55	58
Actuarial losses / (gains)	(6,184)	7,232
Benefits paid	(2,203)	(2,075)
Other changes	(129)	149
<b>At 31 December</b>	<b>77,883</b>	<b>85,641</b>

The amount recorded as actuarial losses mainly reflects the impact of the variation in the discount rate used in the actuarial calculations in 2021 and 2020.

The amounts recognised in the consolidated income statement are as follows:

	2021	2020
Current service cost	304	79
Interest cost	399	769
Others	-	-
<b>Total (included in staff costs)</b>	<b>703</b>	<b>848</b>

Sensitivity to changes in the key assumptions, weighted as follows, would not have a significant effect on the total pension liability.

	Change in the assumption
Discount rate	Increase/decrease by 0.5%
Rate of inflation	Increase/decrease by 0.5%
Rate of salary increases	Increase/decrease by 0.5%
Mortality rate	Increase in 1 year

These variations in the assumptions are reasonable in keeping with those indicated by the actuarial reports. Moreover, the Group has assessed that for the Group companies concerned (Almirall Hermal GmbH, Almirall AG and Polichem S.A.) these assumptions are reasonable.

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## 21. Income and expenses

### Net turnover

The table below details the net turnover for the fiscal years 2021 and 2020 by line of business:

	Thousands of Euros	
	2021	2020
Marketing through our own network	685,627	634,585
Marketing through licensees	114,481	146,638
Corporate management and income not allocated to other segments	27,087	26,204
<b>Net turnover</b>	<b>827,195</b>	<b>807,427</b>

	Thousands of Euros	
	2021	2020
Product sales revenue	774,405	723,332
Income from royalties	8,264	12,052
Income from granting licenses (Note 16)	17,406	52,246
Other income from granting licenses	27,120	19,797
<b>Net turnover</b>	<b>827,195</b>	<b>807,427</b>

The table below provides an itemisation of net turnover for fiscal years 2021 and 2020 by geographical area:

	Thousands of Euros	
	2021	2020
Spain	250,165	237,129
Europe and Middle East	406,901	394,500
America, Asia and Africa	143,042	149,594
Corporate management and income not allocated to other segments	27,087	26,204
<b>Net turnover</b>	<b>827,195</b>	<b>807,427</b>

The main countries where the Group earns incomes are:

	2021	2020
Spain	30%	29%
United States	10%	11%
Germany	22%	20%
Italy	7%	6%
France	4%	2%
United Kingdom	3%	3%
Others	24%	29%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Finally in the following table shows the contribution of the Group's main therapeutic areas to net turnover in 2021 and 2020:

	Thousands of Euros	
	2021	2020
Respiratory	80,313	77,534
Gastrointestinal and metabolism	119,627	116,010
Dermatology and others	386,562	320,619
CNS	66,172	65,897
Osteomuscular	26,776	28,751
Cardiovascular	68,416	62,100
Other therapeutic specialities	79,329	136,516
<b>Total</b>	<b>827,195</b>	<b>807,427</b>



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*Other income*

The itemisation of this heading is as follows:

	Thousands of Euros	
	2021	2020
Income due to agreement with AstraZeneca (Note 12)	6,934	5,013
Re-invoicing of services rendered to AstraZeneca	1,139	1,073
Others	1,232	976
<b>Total Other income</b>	<b>9,305</b>	<b>7,062</b>

*Supplies*

The itemisation of this heading is as follows:

	Thousands of Euros	
	2021	2020
Purchases	172,253	197,537
Change in stocks of products finished or in progress	7,119	(9,202)
Change in stocks of raw materials and goods	2,380	(10,893)
<b>Total Procurement</b>	<b>181,752</b>	<b>177,442</b>

*Staff costs*

The composition of staff costs is as follows:

	Thousands of Euros	
	2021	2020
Payroll and salaries	150,460	138,337
Social security payable by the company	25,738	24,860
Severance costs	265	2,482
Other welfare expenses	11,957	11,325
<b>Total</b>	<b>188,420</b>	<b>177,004</b>

The average number of employees of the Group, distributed by professional category and gender, is as follows:

	Fiscal year 2021			Fiscal year 2020		
	Men	Women	Total	Men	Women	Total
Directors	1	-	1	1	-	1
Executives	31	12	43	33	13	46
Managers	148	118	266	148	112	260
Technical staff	474	601	1,075	469	589	1,058
Administrative staff	181	221	402	186	234	420
Others	-	1	1	-	1	1
<b>Total</b>	<b>835</b>	<b>953</b>	<b>1,788</b>	<b>837</b>	<b>949</b>	<b>1,786</b>

At year-end 2021 and 2020, the staff is as follows:

	31 December 2021			31 December 2020		
	Men	Women	Total	Men	Women	Total
Directors	1	-	1	1	-	1
Executives	32	10	42	30	14	44
Managers	145	121	266	150	113	263
Technical staff	475	597	1,072	471	595	1,066
Administrative staff	180	224	404	186	226	412
Others	-	1	1	-	1	1
<b>Total</b>	<b>833</b>	<b>953</b>	<b>1,786</b>	<b>838</b>	<b>949</b>	<b>1,787</b>

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As of 31 December 2021, the number of employees with a disability equal to or greater than thirty-three per cent comes to 33 people (33 people as of 31 December 2020).

As of 31 December, of the years 2021 and 2020, the number of Group employees engaged in research and development activities amounted to 235 and 248 people, respectively.

*Other operating expenses*

The composition of other operating expenses is as follows:

	Thousands of Euros	
	2021	2020
R&D activities	41,975	44,135
Leases and fees	32,474	21,116
Repairs and maintenance	19,331	19,219
Independent professional services	25,247	28,663
Transport	10,716	9,726
Insurance premiums	3,142	2,788
Bank services and similar	886	545
Congresses and other promotional activities	78,846	66,550
Supplies	3,586	3,776
Other services	29,390	31,026
Other taxes	1,991	1,461
<b>Total</b>	<b>247,584</b>	<b>229,005</b>

The "Other services" heading includes donations for the amount of €362 thousand in 2021 (€313 thousand in 2020).

*Net change in valuation adjustments*

The itemisation of the heading "Net change in valuation adjustments" in the accompanying consolidated income statement, as well as the changes in "Current provisions" is as follows:

	Thousands of Euros	
	2021	2020
Change in bankruptcies valuation adjustment	1,077	(1,794)
Change in stock valuation adjustment	1,239	(892)
Change in other current provisions	412	(1,064)
<b>Total</b>	<b>2,728</b>	<b>(3,750)</b>

*Net gains / (Losses) on disposal of assets*

The itemisation of net gains/ (losses) on disposal of non-current assets in fiscal years 2021 and 2020 is as follows:

	Thousands of Euros			
	2021		2020	
	Gains	Losses	Gains	Losses
For disposal or retirement of intangible assets	8	(13,780)	10	(404)
For disposal or retirement of property, plant and equipment	-	(99)	-	(255)
	<b>8</b>	<b>(13,879)</b>	<b>10</b>	<b>(659)</b>
<b>Net gains (losses) on disposal of assets</b>	<b>(13,871)</b>		<b>(649)</b>	

The losses recorded in 2021 reflect the termination of the option agreement to acquire a pharmaceutical component under development from Bioniz Therapeutics, Inc., as explained in Note 9.

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*Financial income and expenses*

The breakdown of financial income and expenses in fiscal years 2021 and 2020 is as follows:

	Thousands of Euros			
	2021		2020	
	Income	Expenses	Income	Expenses
Change in fair value of financial instruments	3218	-	7478	-
Bond interests costs (Note 17)	-	(12,972)	-	(11,027)
Other financial income /(expenses) and similar	493	(7,628)	1,579	(6,976)
Financial assets valuation adjustment (Note 12)	8	-	-	(3,371)
Exchange rate differences	6,577	(4,533)	18,585	(19,328)
	<b>10,296</b>	<b>(25,133)</b>	<b>27,642</b>	<b>(40,702)</b>
<b>Financial result</b>	<b>(14,837)</b>		<b>(13,060)</b>	

In 2021 and 2020, the heading "Change in fair value of financial instruments" includes mainly the restatement of the fair value of the equity swap and of the derivative associated with the convertible bond, both described in Note 17.

The heading "Other finance income/(expenses) and similar" includes financial expenses derived from bank loans, as well as the impact of the financial restatement on liabilities carried at amortised cost, with the exception of the convertible bond and senior unsecured bonds (as described in Note 17), which are included under the heading "Bond interests costs" (€13.0 and €11.0 million in 2021 and 2020, respectively).

*Impairment losses on property, plant and equipment, intangible assets and goodwill-*

In fiscal year 2021, this heading includes the impairment recognised on the portfolio acquired in the business combination of Aqua Pharmaceuticals, LLC in 2013 (now Almirall LLC) and the "Allergan portfolio" in the amount of €22.1 million and €68.8 million, respectively, as explained in Note 9.

In fiscal year 2020, this heading included the impairment recognised on the portfolio acquired in the business combination of Aqua Pharmaceuticals, LLC in 2013 (now Almirall LLC) in the amount of €16.2 million (Note 9).

*Transactions in foreign currency*

The amounts of transactions carried out in foreign currencies are as follows:

	Amount in euros (thousands)			
	Expenses		Income	
	2021	2020	2021	2020
Canadian dollar	1	-	42	23
Swiss franc	6,386	3,221	12,261	10,161
Czech koruna	34	44	1,267	1,129
Danish krone	1,731	1,851	682	1,002
Pound sterling	15,034	15,377	22,726	21,875
Hungarian Forint	25	30	552	469
Japanese Yen	3,593	6,151	3,597	3,821
Arab Emirates Dirham	9	-	-	-
Mexican Peso	132	3	-	-
Norwegian Krone	58	218	1,657	1,401
Polish Zloty	595	747	2,621	2,229
Renminbi	27	322	-	-
Swedish Krona	221	196	3,899	3,396
Russian Ruble	69	15	-	-
US Dollar	89,399	97,258	104,483	121,361

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### Remuneration of auditors

During fiscal years 2021 and 2020, the fees for auditing services and other services provided by the Group's auditor in 2021, KPMG Auditores S.L. (other auditors in fiscal year 2020), or by other companies in the auditor's network, were as follows:

Entities (Thousands of Euro)	Year	Audit & related services		Tax services	Other services
		Audit services	Professional services related to audit		
PricewaterhouseCoopers Auditores. S.L.	2021	170	244	-	-
Other entities PwC's network		310	-	265	-
<b>Total</b>		<b>480</b>	<b>244</b>	<b>265</b>	<b>-</b>
PricewaterhouseCoopers Auditores. S.L.	2020	239	31	-	55
Other entities PwC's network		371	-	37	16
<b>Total</b>		<b>610</b>	<b>31</b>	<b>37</b>	<b>71</b>

In 2021, other auditors have accrued 56 thousand euros in connection with audit work of Group subsidiaries.

The heading "Audit services" for the 2021 financial year includes the fees corresponding to the audit of the individual and consolidated annual accounts of Almirall, S.A. and of the companies that form part of its group.

The heading "Audit-related professional services" for the 2021 financial year includes the fees derived from the limited review of the Group's interim consolidated financial statements, the review of the information relating to the Group's Internal Control over Financial Reporting System (ICFR), as well as specific "Comfort Letter" work related to the issue of the senior unsecured bonds described in Note 17.

The heading "Tax services" in 2021 includes the services invoiced in the aforementioned fiscal year in relation to the documentation, certification and obtaining of binding reasoned reports to monetize a portion of the tax deductions linked to our R&D projects, among other general consultancy services.

## 22. Tax situation

### Consolidated Tax Group

Almirall S.A. is subject to corporate income tax under the Spanish Tax Consolidation regime pursuant to Chap. VI of Title VII of Law 27/2014, of November 27, on Corporate Income Tax. The companies that make up the Group for tax purposes for fiscal years 2021 and 2020 are: Almirall S.A., Laboratorios Almirall S.L., Industrias Farmacéuticas Almirall S.A., Laboratorios Tecnobío S.A., Ranke Química, S.A. and Almirall Europa Derma, S.A., of which the first company mentioned acts as parent company. Consequently, the consolidated corporate income tax expense includes the benefits derived from the application of tax loss and tax credit carryforwards that would not have been recorded if the companies comprising the tax group had been taxed individually.

Corporate income tax is calculated on the basis of the economic or accounting result, obtained by applying the applicable financial reporting regulatory framework, which does not necessarily coincide with the tax result, which in turn is understood as the taxable income.

The rest of the Group's subsidiaries file individual tax returns in accordance with the tax regulations applicable in each country.

### Fiscal years subject to tax inspection

The Parent Company and the companies that form part of the Spanish tax group, of which it is the head, have the years 2016 to 2021 open for inspection in respect of Corporate Income Tax, and the periods starting from July 2017 onwards in respect of the other taxes that apply to it. In July 2021, the Spanish Tax Agency informed Almirall, S.A., in its capacity as the representative of the tax group, that inspection actions were to be initiated to check the Corporate Income Tax (Tax Consolidation regime) for the years 2016 to 2018; as well as for Value-Added Tax, Withholdings and Income on account for investment income, Withholdings and Income on account of income for professional/earned income and

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Withholdings and income on account for the income tax of non-residents for the periods from July 2017 to December 2018.

During the financial year 2016, the following inspection procedure was initiated in respect of the Group's following foreign company:

- Almirall Hermal GmbH (Germany), in respect of the financial years from 2009 to 2013, relating to Corporate Income Tax, Value Added Tax, as well as Withholdings and income on account for Personal Income Tax. This inspection was completed in January 2022, with no significant aspect arising.

During the financial year 2018, the following inspection procedure was communicated in respect of the Group's following foreign companies:

- Almirall AG (Switzerland). Federal inspection covering financial years 2013, 2014, 2015 and 2016. As of the date on which these consolidated annual accounts were formulated, it continues in progress.

During the financial year 2019, the following inspection procedure was communicated in respect of the Group's following foreign company:

- Almirall SAS (France) in respect of the financial years 2016 and 2017, relating to Corporate Income Tax, Value Added Tax, as well as Withholdings and Income on account for Personal Income Tax. This inspection was completed in fiscal year 2021, with no significant aspect arising.

During the financial year 2021, the following inspection procedure was communicated in respect of the Group's following foreign company:

- Almirall AG (Switzerland). Cantonal inspection covering financial years 2018 and 2019. As of the date on which these consolidated annual accounts were formulated, it continues in progress.

The Group's foreign companies are currently being audited for the corresponding years in each of the local legislations regarding the applicable taxes.

The Group's foreign companies are currently being audited for the corresponding years in each of the local legislations regarding the applicable taxes.

In general, due to the possible different interpretations that may be given to the tax regulations, the results of the inspections that are being carried out, or that may be carried out in the future by the tax authorities for the years subject to verification, may give rise to tax liabilities whose amount cannot be objectively quantified at present. In the opinion of the Parent Company's administrators, however, the possibility of significant liabilities arising in this connection in addition to those recognised is remote.

*Balances held with the Public Administration*

The balances receivable from and payable to the Public Administrations as of 31 December 2021 and 2020 are as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Tax Authorities, VAT receivable	8,155	10,235
Tax Authorities, Corporate Income Tax receivable	25,894	62,385
Other debts	5	26
<b>Total debtor balance</b>	<b>34,054</b>	<b>72,646</b>
Tax Authorities, VAT payable	2,640	7,429
Personal income tax	3,853	2,758
Social Security contributions, payable	3,158	2,961
Tax Authorities, Corporate Income Tax payable	9,820	8,312
<b>Total credit balances</b>	<b>19,471</b>	<b>21,460</b>

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The corporate income tax receivables are mainly due to the expected tax refund for the scope of consolidation in Spain for the current year.

*Income tax recognised*

Income taxes recognised in the consolidated income statement and in equity in fiscal years 2021 and 2020 are as follows:

	Thousands of Euros	
	Expense / (Income)	
	2021	2020
Corporate Income Tax:		
- Recognised in the consolidated income statement	31,774	4,958
- Recognized in equity	1,797	(2,025)
<b>Total</b>	<b>33,571</b>	<b>2,933</b>

*Reconciliation of accounting and tax results*

Presented below is the reconciliation between the income tax expense resulting from applying the general tax rate in force in Spain and the expense recorded for the aforementioned tax:

	Thousands of Euros	
	2021	2020
Consolidated pre-tax profit or loss	(9,085)	79,238
Permanent differences:		
Increase	55,865	-
Decrease	(83,711)	(27,613)
Adjusted accounting profit	(36,931)	51,625
Tax rate	25%	25%
<b>Gross Tax</b>	<b>(9,233)</b>	<b>12,906</b>
Deductions:		
Deductions applied and/or regularized in the fiscal year and other consolidation adjustments	1,140	369
Corporate Income Tax for Almirall, S.A. paid abroad	30	52
Effect of temporary differences not recognized in the balance sheet	16,204	-
Regularization of activated tax credits	19,900	-
Others	506	-
<b>Accrued cost for theoretical tax</b>	<b>28,547</b>	<b>13,327</b>
Effect of rate difference between countries	2,938	(6,028)
Other changes	289	(2,341)
<b>Expense / (Income) accrued for Corporate Income Tax</b>	<b>31,774</b>	<b>4,958</b>

The increase in the basis for permanent differences in 2021 and 2020 is mainly due to the different tax treatment of certain expenses accrued in those years. The decrease in the basis for permanent differences in 2021 is basically due to the reduction in taxable income from the disposal of intangible assets.

The amount of the deductions applied and/or adjusted during fiscal years 2021 and 2020 correspond to the partial monetisation of the research and development deduction generated in fiscal years 2020 and 2019, respectively.

The amount of "Effect of temporary differences not recognized in the balance sheet" includes the temporary differences of the subsidiary Almirall LLC as a result of the impairment recorded on the Allergan portfolio CGU described in Note 9.

The amount for "regularization of activated tax credits" reflects the impact derived from Law 22/2021, of 28 December, on General State Budgets for the year 2022, which amends the Corporate Income Tax Law, as explained later in this same Note.

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The nature and amount of the incentives applied in 2021 and 2020 and those pending deduction as of 31 December 2021 and 2020 for Spanish tax group are as follows:

Nature	Fiscal Year generation	Thousands of Euros			
		2021		2020	
		Compensated	Pending compensation	Compensated	Pending compensation
Research and Development	2007	-	25,274	202	25,274
	2008	-	34,841	-	34,841
	2009	-	26,883	-	26,883
	2010	-	34,629	-	34,629
	2011	-	35,845	-	35,845
	2012	-	32,842	-	32,842
	2013	-	28,661	-	28,661
	2014	-	23,685	-	23,685
	2015	-	14,841	-	14,841
	2016	-	12,260	-	12,260
	2017	-	10,209	-	10,209
	2018	-	9,230	-	9,230
	2019	86	9,786	6,250	9,872
	2020	5,619	7,824	-	13,442
	2021	-	15,996	-	-
		<b>5,705</b>	<b>322,806</b>	<b>6,452</b>	<b>312,514</b>
Technological Innovation	2012	-	1,077	-	1,077
	2013	-	1,439	-	1,439
	2014	-	701	-	701
		-	<b>3,217</b>	-	<b>3,217</b>
International Double Taxation	2019	-	499	415	499
	2020	-	80	-	80
	2021	-	29	-	-
		-	<b>608</b>	<b>415</b>	<b>579</b>
Reinvestment of extraordinary profits	2012	-	55	-	55
	2013	-	2	-	2
	2014	-	10	-	10
		-	<b>67</b>	-	<b>67</b>
Donations	2019	-	-	36	-
	2020	-	-	41	-
	2021	-	14	-	-
		-	<b>14</b>	<b>77</b>	-
Temporary measures	2019	-	-	26	-
	2020	-	-	21	-
	2021	-	11	-	-
		-	<b>11</b>	<b>47</b>	-
<b>Total accredited incentives</b>		<b>5,705</b>	<b>326,723</b>	<b>6,991</b>	<b>316,377</b>
<b>Total deferred tax assets recognized on balance sheet</b>			<b>181,953</b>		<b>187,915</b>

Currently, there is no time limit for the application of deductions for the avoidance of international double taxation that are yet to be applied. However, current corporate income tax legislation sets a limit of 50% to the total tax liability.

On the other hand, the period for the application of the deductions for scientific research and technological innovation activities that have not yet been applied is 18 years from their origin, and the application of these is limited to 50% of the tax liability according to legislation in force, whenever the deduction generated each year by the Parent Company is expected to exceed 10% of the total tax liability.

This period is reduced to the 15 years immediately after the origin of the deduction however for those amounts not deducted for the rest of the deductions.

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**Deferred taxes**

The analysis of deferred tax assets and liabilities is as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Deferred tax assets	192,500	256,476
Deferred tax liabilities	(75,852)	(117,382)
<b>Deferred tax assets (net)</b>	<b>116,648</b>	<b>139,094</b>

The gross changes in the deferred tax account were as follows:

	Thousands of Euros	
	2021	2020
At 1 January	139,094	141,777
Income statement credit	(14,689)	1,322
Partial monetization R&D deductions	(5,960)	(6,030)
Tax (Charged)/ Paid to equity	(1,797)	2,025
<b>At 31 December</b>	<b>116,648</b>	<b>139,094</b>

On 29 December 2021, Law 22/2021, of 28 December, on the General State Budget for 2022 was published in the Official State Gazette, which amends the Corporate Income Tax Law and establishes that, for fiscal years beginning on or after 1 January 2022 and for an indefinite term, the concept of "minimum taxation" will be applied in Spain. Minimum taxation implies that, depending on the size and type of entity, companies must have a minimum net tax liability (generally set at 15%). In order to determine the net tax liability, a priority is established in the allowances and deductions so that those of lower priority cannot be deducted if they reduce taxation below the minimum stipulated and hence, they must be deferred. The concept of minimum taxation has implications for the recognition of deductions for purposes of assessing the recoverability of deferred tax assets.

As a result of this regulatory change, the Group has carried out an analysis of the recoverability of the deferred tax assets recorded in the consolidated balance sheet by the Parent Company and its Spanish subsidiaries, which has resulted in a reduction of deferred tax assets by the amount of €19.9 million, and the relevant loss has been recorded in the year ending on 31 December 2021 under the heading "Income tax" in the consolidated income statement.

Pursuant to the tax regulations in force in the different countries in which the consolidated entities are located, certain timing differences have arisen in 2021 and 2020 that must be taken into account when quantifying the corresponding income tax expense. The itemisation of deferred taxes recorded in both years is as follows:

	Thousands of Euros			
	31/12/2021		31/12/2020	
	Differences in cumulative tax bases	Cumulative effect on tax liability	Differences in cumulative tax bases	Cumulative effect on tax liability
<b>Deferred tax assets (net):</b>				
Depreciation of assets	43,046	8,511	99,825	23,768
Provisions	51,672	12,322	66,118	16,577
Retirement benefit obligations	46,905	13,733	54,268	15,878
Stock valuation	27,494	5,733	27,495	7,718
Goodwill amortisation	(99,238)	(24,809)	-	-
Others	(19,777)	(4,943)	3,909	1,072
	<b>50,102</b>	<b>10,547</b>	<b>251,615</b>	<b>65,013</b>
<b>Tax credits:</b>				
Negative tax bases to offset	-	-	14,044	3,548
For deductions pending offset	-	181,953	-	187,915
<b>Deferred tax assets and tax credits (net):</b>	<b>50,102</b>	<b>192,500</b>	<b>265,659</b>	<b>256,476</b>



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	Thousands of Euros			
	31/12/2021		31/12/2020	
	Differences in cumulative tax bases	Cumulative effect on tax liability	Differences in cumulative tax bases	Cumulative effect on tax liability
<b>Deferred tax liabilities (net):</b>				
Allocation of capital gains to assets in business combinations	203,826	54,708	249,485	67,244
Goodwill amortisation	35,410	10,623	125,042	33,031
Tax reversal effect on subsidiary portfolio provisions	16,508	5,353	16,508	5,353
Others	20,181	5,168	45,943	11,754
<b>Deferred tax liabilities (net)</b>	<b>275,925</b>	<b>75,852</b>	<b>436,978</b>	<b>117,382</b>

The net deferred tax assets indicated above, amounting to €192.8 million, basically come from the Parent Company, which records an amount of €188.8 million in deferred tax assets in its financial statements as of 31 December 2021 (mainly due to the deductions pending application mentioned above). These deferred tax assets have been recorded in the consolidated balance sheet because the Parent Company's Administrators consider that, based on the best estimate of future results, it is probable that these assets will be fully recovered within a time horizon of up to 10 years. In order to determine the estimated future results that justify this recoverability analysis, the following has been used as a starting point:

- Projections of estimated results corresponding to the Spanish consolidated tax group for the next 5 years (and extrapolated up to 10 years) based on the current product portfolio and structure of the Group. This projection has taken into account sustained increases in future profits, resulting mainly from expected increases in sales of the Group's product portfolio as well as significant synergies expected from the optimisation of the Group's structure. The amendment to the Corporate Income Tax Law described earlier in this Note on the minimum net tax liability has also been taken into account.
- Estimate of additional impact on results in the coming years from future investments/acquisitions expected to be carried out in the medium term, and taking into account the relevant investments made in 2021 and prior years. For this purpose, expected target returns as well as probabilities of success in achieving them have been considered.
- In addition, the sensitivity analysis performed on the projected taxable income (within a range of +5% / -5% variation) would not result in a significant impact on the financial statements as of 31 December 2021.

The detail of Deferred tax assets and liabilities by jurisdiction as of December 31, 2021 is as follows:

Thousand euros	31/12/2021			
	Spain	United States	Others (*)	Total
Net Deferred Tax Assets	(23.973)	8.785	(50.117)	(65.305)
Deduction fees	181.953	-	-	181.953
<b>Total</b>	<b>157.980</b>	<b>8.785</b>	<b>(50.117)</b>	<b>116.648</b>

(\*) Mainly corresponds to consolidation adjustments

The detail of Deferred tax assets and liabilities by jurisdiction as of December 31, 2020 is as follows:

Thousand euros	31/12/2020			
	Spain	United States	Others (*)	Total
Net Deferred Tax	(4.878)	14.142	(58.085)	(48.821)
Deduction fees	187.915	-	-	187.915
<b>Total</b>	<b>183.037</b>	<b>14.142</b>	<b>(58.085)</b>	<b>139.094</b>

(\*) Mainly corresponds to consolidation adjustments

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The amount of temporary differences not recorded in the Group's consolidated balance sheet amounts to 16,204 thousand euros at December 31, 2021 (there were no significant amounts at December 31, 2020), corresponding mostly to the subsidiary Almirall LLC.

The amount of net deferred tax assets that will reverse in a period of less than 12 months amounts to 13,797 thousand euros at December 31, 2021.

Finally, the Group has tax loss carryforwards of 45,314 thousand euros, that have not been recognized in the consolidated balance sheet at December 31, 2021 and mainly correspond to the subsidiaries based in Spain and the USA.

## **23. Business and geographic segments**

### *Segmentation criteria*

The main criteria for defining the Group's information by segments in the consolidated financial statements for the years ending on 31 December 2021 and 2020 are explained below.

The business segments listed below are those for which separate financial information is available and on which the reports are based, and whose results are reviewed on a monthly basis by the Group's Management (Management Committee) for operational decision-making, in order to decide on the resources to be allocated to each segment and evaluate their performance, in addition to having separate financial information available.

The lines of business described below have been established on the basis of the Group's organisational structure, which constitutes the basis for the primary segment information:

- Marketing through our own network.
- Marketing through licensees.
- Research and development activity.
- Therapeutic dermatology area in the United States.
- Corporate management and results not allocated to other segments.

The operating segments reported in these accompanying notes are those with incomes, results and/or assets greater than 10% of the corresponding consolidated figure. In this sense, the column "Corporate management and results not attributed to other segments" includes income and expenses that are not directly related and allocated to the business areas, which mainly consist of the Group's corporate assets and production centres.

In this regard, the professional judgements used by the entity to consider as separate segments the headings of "Research and development activity" and of "Corporate management and results not allocated to other segments" are based on the fact that the information on expenses and income from these segments are not taken into consideration for decision-making purposes in the rest of the segments. Instead, they are analysed separately by the Group's top authority for operational decision-making in order to decide on the resources to be allocated to these types of activity.

In the case of the segment designated as "Research and development activities", although as a general rule this segment does not generate any income from ordinary activities, its itemisation is fundamental for understanding the Group, since R+D activity is considered absolutely key and strategic in the market in which the Group operates. On the other hand, the resources allocated to this component are based on an analysis that is totally independent from that of the rest of the Group's components.

Furthermore, the segment termed "Corporate management and results not allocated to other segments" groups together those revenues and expenses that, given their nature, are not directly related to the other segments itemised and hence cannot be allocated to these, since they are not directly related to the relevant business areas. The figures disclosed in this segment are mainly derived from the corporate assets that will be itemised subsequently, from the expenses associated with the Group's production centres, as well as from all expenses not included in operating income. In this regard, the Group considers that the effort that would be necessary if these expenses were broken down into the other segments would entail completely arbitrary principles for allocation and would not reflect the Group's organisational structure, which is the basis on which the financial information is itemised internally.

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*Basis and methodology for reporting by business segments*

The information presented by segments below is based on the reports prepared by the Group's management and is generated using information based on the Group's consolidated accounting data.

For the purpose of determining the information by segments for the consolidated income statement, the consolidated balances of each segment have been considered, while also carrying out the consolidation adjustments relevant for each of the segments. For the purposes of reporting by segments in the consolidated balance sheets, allocations based on consolidation adjustments have been taken into account.

Income for the segment, which comprise "Net turnover" and "Other income", correspond to income directly attributable to the segment.

In addition, in relation to the income received by the Group as a result of the agreements mentioned in Note 7, this income has been allocated, where possible, on the basis of the business segment directly related to the geographical areas or type of activity associated with these agreements, whether this income is due to milestone payments or to initial disbursements that are recognised as deferred in the consolidated income statement, mainly in the segments of marketing through licensees and research and development activities. Nevertheless, the change in the fair value of the assets from the sale transaction with AstraZeneca has been included in the segment termed "Corporate management and results not allocated to other segments", since this transaction is monitored at the corporate level independently from the other segments, given that it is not related to the recurring business.

Income attributable to the segment "Research and development activity" reflect expenses re-invoiced to third parties for this activity.

The expenses of each segment are determined based the expenses derived from the operating activities of the segment that are directly attributable to it, which include "Procurement", "Staff costs", "Depreciation and amortisation" and "Other operating expenses", among others. In this regard, the amounts reported as "Procurement" in each of the segments include, in addition to the cost of acquiring materials, the costs allocated to them in the manufacturing process by the Group (these costs include, for example, staff costs and depreciation and amortisation, among others). Due to their nature, these same costs are included in the segment termed "Adjustments and reclassifications" and, therefore, prior to obtaining the data for the Group's consolidated income statements, they are eliminated.

The expenses recorded in each of the segments, as described above, do not include depreciation and amortisations, restructuring costs or general administrative expenses for general services that are not directly attributed to each business segment, and therefore, these general expenses have not been distributed among the business segments.

As previously mentioned, those expenses that are not directly attributable to each business segment are not distributed among individual segments. Instead, they are allocated to the segment termed "Corporate management and results not allocated to other segments", because this is how the Group's top authority for operational decision-making analyses the information on profitability and reaches decisions about the resources to be invested in each segment.

Depreciation and amortisation allocated to the segment termed "Corporate management and results not allocated to other segments" is related with those assets that are used by all segments (mainly software). These depreciation and amortisation charges are considered expenses that cannot be allocated to business segments using marketing criteria, since they are not directly attributable to any of the established segments. Therefore, the Management does not take them into consideration when making decisions affecting them.

In contrast, as a general rule, impairment losses are itemised under the segment to which the impaired asset is allocated.

As for restructuring costs, since they are expenses that the Group's Management considers to be unusual, that are decided by the top decision-making authority and that are of a markedly strategic nature, it is considered inappropriate to include them (and in fact they are not included in any of the internal analyses) in any of the other segments, since they would distort the conclusions that people who consult the financial information would reach regarding their profitability.

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With respect to the general and administrative expenses included in the segment termed "Corporate management and results not allocated to other segments", the reasons that the Management has not allocated them to the other segments, apart from their basic nature, are detailed below:

- Costs related to the Group's production centres that are not directly attributable to manufacturing.
- Costs related to the central headquarters, shared service centres and support areas, which mainly include the expenses of the departments of Human Resources, Finance and General Operational Management ("Marketing", "Market Access" and "Global Medical Affairs"). These costs are difficult to allocate to the rest of the segments since, on the one hand, it would be done under a totally subjective criterion and, on the other hand, it would not be consistent with the method used by the Group's management to assess the profitability of the other segments.

The Group does not itemise information on relevant clients by segment in the financial statements, since none of them individually represents more than 10% of the Group's net turnover.

Tangible assets (property, plant and equipment, stocks, etc.) have been allocated to the segments according to the final use made of them by each segment, regardless of their geographic location.

As for intangible assets (goodwill, intangible fixed assets, etc.), these have been allocated according to the Cash-Generating Unit that ensures the recovery of the value of these assets. More specifically, goodwill has been allocated as follows:

- Almirall S.A.: has been assigned to the segment designated "Corporate management and results not allocated to other segments", given its structural nature in the Group's current configuration and the fact that it cannot be assigned to any specific segment, as detailed in Note 8.
- Almirall Hermal, GmbH: has been assigned to the segment designated "Marketing through own network", since the main cash-generating unit of this goodwill is this segment.
- Poli Group: Assets, incomes and expenses have been allocated among the segments termed "Marketing through own network" and "Marketing through licensees" in a manner consistent with the Cash-Generating Units used for the purposes of the impairment tests detailed in Note 5-d).

The Group has not established criteria for the allocation of equity and liabilities by segment and, therefore, it does not itemise this information. Accordingly, certain balance sheet items, including current and non-current financial assets held by the Group, cash and cash equivalents and other minor items are considered to belong to the segment called "Corporate management and results not allocated to other segments".

Furthermore, the main assets that are included in the segment called "Corporate management and results not allocated to other segments" are as follows:

- Goodwill of Almirall, S.A., as described above.
- Intangible assets corresponding mainly to the agreement with Dermira and Athenex for the licence mentioned in Note 9 of the accompanying consolidated financial statements, as well as other assets of a lesser amount corresponding mainly to patents and computer software.
- Intangible assets mainly reflecting ongoing development costs acquired as a result of the takeover of Polichem Group, as indicated in Note 9 of the accompanying consolidated financial statements.
- Property, plant and equipment mainly related to the Group's production centres, in keeping with the allocation of expenses in the segmented income statement.
- Financial assets corresponding to the agreement with AstraZeneca, as indicated in Note 12 to the accompanying consolidated financial statements, in keeping with the allocation of income in the segmented income statement.
- Deferred tax assets belonging to the Spanish tax consolidation Group, as detailed in Note 22 of the accompanying consolidated financial statements, as well as the deferred tax assets generated in Almirall Hermal, GmbH and Almirall LLC and the holding company Almirall, Inc.

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These assets have not been allocated to any other business segment, because, since they are assets of holding companies or companies that are separated into several segments, they are analysed according to the territories where the respective tax regulations apply and not according to the itemisation of the primary distribution in the note about segments.

- Stocks whose reference numbers cannot be allocated directly to any one business segment, since they do not correspond to any finished product but mainly to raw materials, materials and semi-finished products with an as yet unknown destination.
- Current financial investments and cash and other liquid assets, since the Group engages in cash pooling among the various subsidiaries that operate in euros, and therefore cash management is centralised. There are no significant cash or cash equivalents on the balance sheets of the subsidiaries.
- The itemisation of non-current assets referring to fixed assets located in foreign countries is detailed in Note 11.

*Financial information by segments*

Segmentation by lines of business

Consolidated segmented income statement for the year ending on 31 December 2021:

	Marketing through own network	Marketing through licensees	Dermatology USA	Research and development activity	Corporate management and results not allocated to other segments	Adjustments and reclassifications	Total
Net turnover	593,517	114,104	92,487	-	27,087	-	827,195
Other Income	79	105	-	-	9,121	-	9,305
<b>Operating income</b>	<b>593,596</b>	<b>114,209</b>	<b>92,487</b>	-	<b>36,208</b>	-	<b>836,500</b>
Work carried out on fixed assets	-	-	-	8,932	-	-	8,932
Supplies	(160,234)	(35,885)	(20,966)	836	(23,680)	58,177	(181,752)
Staff costs	(60,442)	(1,147)	(16,667)	(24,185)	(55,743)	(30,236)	(188,420)
Depreciation	(32,862)	(8,405)	(51,821)	(4,712)	(11,590)	(10,547)	(119,937)
Net change in valuation adjustments	-	-	193	-	2,535	-	2,728
Other operating expenses	(79,817)	(2,869)	(31,274)	(52,778)	(63,452)	(17,394)	(247,584)
Net gains (losses) on disposal of assets	-	-	-	-	(13,871)	-	(13,871)
Current operating gains / (losses)	-	-	-	-	-	-	-
Impairment losses on property, plant and equipment, intangible assets and goodwill	-	-	(90,844)	-	-	-	(90,844)
<b>Operating profit</b>	<b>260,241</b>	<b>65,903</b>	<b>(118,892)</b>	<b>(71,907)</b>	<b>(129,593)</b>	-	<b>5,752</b>
Financial income	-	-	-	-	493	-	493
Financial expenses	-	-	-	-	(20,600)	-	(20,600)
Exchange rate differences	-	-	-	-	2,044	-	2,044
Gains / (losses) on measurement of financial instruments	-	-	-	-	3,226	-	3,226
<b>Earnings before tax</b>	<b>260,241</b>	<b>65,903</b>	<b>(118,892)</b>	<b>(71,907)</b>	<b>(144,430)</b>	-	<b>(9,085)</b>
Corporate income tax	-	-	(5,813)	-	(25,961)	-	(31,774)
<b>Net profit for the period attributable to the Parent Company</b>	<b>260,241</b>	<b>65,903</b>	<b>(124,705)</b>	<b>(71,907)</b>	<b>(170,391)</b>	-	<b>(40,859)</b>

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Assets as of 31 December 2021 by segments:

	Marketing through our own network	Marketing through licensees	Research and development activity	Dermatology USA	Corporate management and results not allocated to other segments	Total
<b>ASSETS</b>						
Goodwill	227,743	52,816	-	-	35,407	315,966
Intangible assets	221,512	186,331	23,547	348,603	136,063	916,056
Assets due to right of use	5,428	164	-	234	14,207	20,033
Property, plant and equipment	165	22	30,804	1,641	84,781	117,413
Financial assets	162	45,523	-	742	34,075	80,502
Deferred tax assets	1,752	6,157	-	7,751	176,840	192,500
<b>NON-CURRENT ASSETS</b>	<b>456,762</b>	<b>291,013</b>	<b>54,351</b>	<b>358,971</b>	<b>481,373</b>	<b>1,642,470</b>
Stocks	53,382	1,777	-	11,471	52,002	118,632
Trade and other receivables	40,940	20,599	-	41,851	24,281	127,671
Current tax assets	1,232	222	-	9,374	23,226	34,054
Other current assets	890	100	-	3,958	6,583	11,531
Current financial investments	-	-	-	-	899	899
Cash and cash equivalents	-	-	-	23,162	183,325	206,487
<b>CURRENT ASSETS</b>	<b>96,444</b>	<b>22,698</b>	<b>-</b>	<b>89,816</b>	<b>290,316</b>	<b>499,274</b>
<b>TOTAL ASSETS</b>	<b>553,206</b>	<b>313,711</b>	<b>54,351</b>	<b>448,787</b>	<b>771,689</b>	<b>2,141,744</b>

Consolidated segmented income statement for the year ending on 31 December 2020:

	Marketing through own network	Marketing through licensees	Research and development activity	Dermatology USA	Corporate management and results not allocated to other segments	Adjustments and reclassifications	Total
Net turnover	534,406	146,638	-	100,179	26,204	-	807,427
Other Income	134	104	1,073	-	5,751	-	7,062
<b>Operating income</b>	<b>534,540</b>	<b>146,742</b>	<b>1,073</b>	<b>100,179</b>	<b>31,955</b>	-	<b>814,489</b>
Work carried out on fixed assets	-	-	4,941	-	-	-	4,941
Supplies	(160,234)	(35,885)	-	(19,305)	(21,759)	59,741	(177,442)
Staff costs	(60,442)	(1,147)	(24,651)	(15,893)	(43,703)	(31,168)	(177,004)
Depreciation	(32,862)	(8,405)	(5,220)	(51,275)	(14,877)	(10,446)	(123,085)
Net change in valuation adjustments	-	-	-	(1,735)	(2,015)	-	(3,750)
Other operating expenses	(79,817)	(2,869)	(53,947)	(23,601)	(50,644)	(18,127)	(229,005)
Net gains (losses) on disposal of assets	-	-	-	-	(649)	-	(649)
Current operating gains / (losses)	-	-	-	-	-	-	-
Impairment losses on property, plant and equipment, intangible assets and goodwill	-	-	-	(16,197)	-	-	(16,197)
<b>Operating profit</b>	<b>201,185</b>	<b>98,436</b>	<b>(77,804)</b>	<b>(27,827)</b>	<b>(101,692)</b>	-	<b>92,298</b>
Financial income	-	-	-	-	1,579	-	1,579
Financial expenses	-	-	-	-	(18,003)	-	(18,003)
Exchange rate differences	-	-	-	-	(742)	-	(742)
Gains / (losses) on measurement of financial instruments	-	-	-	-	4,106	-	4,106
<b>Earnings before tax</b>	<b>201,185</b>	<b>98,436</b>	<b>(77,804)</b>	<b>(27,827)</b>	<b>(114,752)</b>	-	<b>79,238</b>
Corporate income tax	-	-	-	16,754	(21,712)	-	(4,958)
<b>Net profit for the period attributable to the Parent Company</b>	<b>201,185</b>	<b>98,436</b>	<b>(77,804)</b>	<b>(11,073)</b>	<b>(136,464)</b>	-	<b>74,280</b>

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Assets as of 31 December 2020 by segments:

	Marketing through our own network	Marketing through licensees	Research and development activity	Dermatology USA	Corporate management and results not allocated to other segments	Total
<b>ASSETS</b>						
Goodwill	227,743	52,816	-	-	35,407	315,966
Intangible assets	212,325	202,550	-	411,665	182,996	1,009,536
Assets due to right of use	3,965	100	-	498	14,757	19,320
Property, plant and equipment	178	24	33,790	231	79,325	113,548
Financial assets	163	45,522	-	795	40,038	86,518
Deferred tax assets	2,843	7,217	-	12,846	233,570	256,476
<b>NON-CURRENT ASSETS</b>	<b>447,217</b>	<b>308,229</b>	<b>33,790</b>	<b>426,035</b>	<b>586,093</b>	<b>1,801,364</b>
Stocks	74,970	2,496	-	13,626	39,059	130,151
Trade and other receivables	30,220	22,340	-	38,557	20,178	111,295
Current tax assets	3,034	112	-	24,077	45,423	72,646
Other current assets	632	125	-	2,717	6,517	9,991
Current financial investments	-	-	-	-	6,025	6,025
Cash and cash equivalents	-	-	-	13,738	145,904	159,642
<b>CURRENT ASSETS</b>	<b>108,856</b>	<b>25,073</b>	<b>-</b>	<b>92,715</b>	<b>263,106</b>	<b>489,750</b>
<b>TOTAL ASSETS</b>	<b>556,073</b>	<b>333,302</b>	<b>33,790</b>	<b>518,750</b>	<b>849,199</b>	<b>2,291,114</b>

Additions to non-current assets by segment during the six months ending on 31 December 2021:

	Marketing through our own network	Marketing through a network of licensees	Research and development activities	Dermatology USA	Corporate management and results not allocated to other segments	Total
Total additions to non-current assets	41,439	-	31,330	-	31,719	104,448

Additions to non-current assets by segment during the six months ending on 31 December 2020:

	Marketing through our own network	Marketing through a network of licensees	Research and development activities	Dermatology USA	Corporate management and results not allocated to other segments	Total
Total additions to non-current assets	-	-	10,052	-	42,402	52,454

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## 24. Dividends paid by the Parent Company

The dividends paid by the Parent Company during fiscal years 2021 and 2020, which in both cases correspond to the dividends approved on the results of the previous year, are shown below:

	2021			2020		
	% of nominal	Euros per share	Amount (Thousands of Euros)	% of nominal	Euros per share	Amount (Thousands of Euros)
Ordinary shares	158%	0.19	33,841	169%	0.203	35,435
<b>Total Dividends paid</b>	<b>158%</b>	<b>0.19</b>	<b>33,841</b>	<b>169%</b>	<b>0.203</b>	<b>35,435</b>
Dividends charged to income statement	158%	0.19	33,841	169%	0.203	35,435

The 2021 dividend payment has been implemented as a flexible dividend in which shareholders have been offered the choice between receiving newly issued Parent Company shares or the cash amount equivalent to the dividend. The cash payment was chosen by 35.6% of the rights holders (which meant disbursing €11.7 million), and the remaining 64.4% opted to receive new shares, each at par value, which were issued as a capital increase (Note 15). The 2020 dividend payment was implemented as a flexible dividend in which shareholders were offered the choice between receiving newly issued Parent Company shares each at par value or the cash amount equivalent to the dividend. The cash payment was chosen by 6.2% of the rights holders (which entailed a disbursement of €2.1 million), while the remaining 93.8% opted to receive new shares each at par value, which were issued as a capital increase.

## 25. Basic earnings / (loss) per share

Basic earnings per share is calculated by dividing the net profit for the period that can be attributed to the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding the average number of treasury shares held for the entire period. Diluted earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, adjusted by the weighted average number of ordinary shares that would be issued if all potential ordinary shares were converted into ordinary shares of the Parent Company. For these purposes, the conversion is deemed to take place at the beginning of the period or at the time of issue of the potential ordinary shares if these have been issued during the period itself.

For these purposes, it should be taken into account that the diluted earnings per share at the end of December 2020 included the potential shares to be issued by the Parent Company at the exchange price of the convertible bond (see Note 17), i.e., 13,753,191 shares, given that this bond became effectively convertible on 25 June 2019. However, this convertible bond was cancelled on 14 December 2021, so that as of 31 December 2021 there is no financial instrument that could dilute the Parent Company's current capital. As a result, earnings per share for 2020 have been adjusted.

Accordingly:

	2021	2020
Net result of the year (thousands of euros)	(40,859)	74,280
No. of weighted average ordinary shares available (*)	178,910	178,910
No. of weighted average diluted shares (**)	178,910	178,910
<b>Basic earnings per share (euros)</b>	<b>(0.23)</b>	<b>0.42</b>
<b>Diluted earnings per share (euros)</b>	<b>(0.23)</b>	<b>0.42</b>

(\*) Number of issued shares minus treasury shares

(\*\*) The average number of ordinary shares available

According to Note 15, as a result of the increase in the fully-paid share capital through which the flexible dividend programme was implemented, a total of 1,661,175 new Parent Company shares were created and admitted to trading on 11 June 2021. During the year ending on 31 December 2020, a total of 3,560,807 new Parent Company shares were created and admitted to trading on 12 October 2020.

In accordance with IAS 33, these capital increases have resulted in an adjustment to the earnings per share for the fiscal year 2020 included in the consolidated financial statements (0.02 euros per share)



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and they have been taken into account in the calculation of basic and diluted earnings per share for the fiscal year ending on 31 December 2021.

Lastly, the calculation of diluted consolidated earnings per share takes into account the consolidated profit for the year attributable to the Parent Company, excluding the expense incurred on financial instruments convertible into shares, net of the related tax effect.

## **26. Commitments, contingent liabilities and contingent assets**

### **a) Commitments**

As a result of the research and development activities carried out by the Group, as of the close of fiscal years 2021 and 2020, firm agreements had been entered into for the performance of these activities at a cost of €38.5 and €40.2 million, respectively, and in future years these agreements will have to be honoured.

As of 31 December 2021, the Group has set up various guarantees with the public administration and third parties for an amount of €14,147 thousand as of 31 December 2021 (€14,874 thousand as of 31 December 2020).

As of 31 December 2021 and 2020, there were no significant commitments to purchase property, plant and equipment.

The Group's lease commitments are described in Note 10.

### **b) Contingent liabilities**

There are no contingent liabilities other than those mentioned in the notes to these consolidated financial statements (contingent payments for the acquisition of intangible assets, Note 9).

### **c) Contingent assets**

For the purpose of the transaction with AstraZeneca mentioned in Note 7-a), the Group has rights to collect certain milestone payments related to certain regulatory and commercial events.

## **27. Transactions with related parties**

Transactions between the Parent Company and its subsidiaries, since they are related parties, have been eliminated during consolidation and are not itemised in this note. Transactions between the Parent Company and its subsidiaries are itemised in the individual financial statements.

During fiscal years 2021 and 2020, Group companies have carried out the following transactions with related parties, with the following balances as of December 31, 2021 and 2020:

Company	Related party	Concept	Year	Thousands of Euros	
				Transactions - Income/(Expenses)	Balance - Debtor / (Creditor)
Almirall, S.A.	Grupo Corporativo Landon, S.L.	Leases	2021	(2,982)	-
			2020	(2,963)	-
Almirall, S.A.	Grupo Corporativo Landon, S.L.	Re-invoicing works	2021	252	123
			2020	122	-

The Group's headquarters (located at Ronda General Mitre, 151, Barcelona) are leased to the company Grupo Corporativo Landon S.L., under a contract that is tacitly renewed by both parties on an annual basis.

Transactions with related parties are carried out at market price.

## **28. Remuneration of the Board of Directors and Senior Management**

The amount accrued during fiscal years 2021 and 2020 by the current and former members of the Parent Company's Board of Directors for all remuneration items (salaries, bonuses, allowances, remuneration in kind, life insurance, compensations, incentive schemes, and social security contributions) came to €3,124 and €3,000 thousand, respectively. There are life insurance policies accrued for an amount of €9 thousand in 2021 (€13 thousand in 2020).

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During fiscal year 2021, civil liability insurance premiums of €229 thousand (€151 thousand as of 31 December 2020) have accrued to cover possible damages caused to members of the Board of Directors and Senior Management in the performance of their duties.

In addition, the remuneration, paid and unpaid, accrued by the Parent Company's Board of Directors from multi-year incentive and loyalty plans and the SEUS Plan (see Note 5-v)), amounted to €552 thousand in 2021, while in 2020 no amount had been accrued. At the end of fiscal year 2021, the balance of the provision for these plans amounts to €806 thousand (€302 thousand in 2020).

As of 31 December 2021, and 2020, there are no other pension commitments agreed with the current and former members of the Parent Company's Board of Directors.

The Group has included the members of the Management Committee as senior management for the purposes of the consolidated financial statements as long as they are not on the Board of Directors.

The amount accrued during fiscal years 2021 and 2020 by senior managers who are not members of the Parent Company's Board of Directors, for all remuneration items (salaries, bonuses, allowances, remuneration in kind, compensations, incentive schemes and social security contributions), came to €6,555 thousand and €5,293 thousand, respectively. There are life insurance policies accrued for an amount of €10 thousand in 2021 (€9 thousand in 2020).

In addition, the remuneration accrued, both paid and unpaid, by the Group's senior management under the multi-year incentive and loyalty schemes and the SEUS Plan, totalled €1,139 thousand and €798 thousand in fiscal years 2021 and 2020, respectively. The balance of the provision for these plans totals €2,743 thousand in 2021 (€2,322 thousand in 2020).

As of 31 December 2021, and 2020, there are no other pension commitments to the Senior Managers.

The members of the Board of Directors and Senior Management of the Group have not received any shares or share options during the fiscal year, nor have they exercised any options or have any options outstanding, nor have they been granted any advances or loans.

## **29. Other information concerning the Board of Directors**

In order to avoid situations of conflict of interests with the Parent Company, during the fiscal year the Administrators who have held positions on the Board of Directors have complied with the obligations set forth in Art. 228 of the revised text of the Spanish Capital Companies Act. Likewise, both they themselves and the people related to them have abstained from incurring in the scenarios of conflict of interest set forth in Art. 229 of that law, except in those cases in which the corresponding authorisation has been obtained.

## **30. Environmental information**

The Group companies have adopted the appropriate measures in environmental matters in order to comply with current environmental legislation. The Group's strategy takes into consideration the objectives of the Paris Agreement to limit the global temperature increase to below 2°C and climate neutrality by 2050. The impact of climate change risk has not been considered relevant in the preparation of the consolidated financial statements for 2021 as it does not significantly affect the useful lives of assets and/or asset impairment assessments and no legal or constructive obligations arise for the Group.

The Almirall Group's property, plant and equipment includes certain assets for environmental protection (limitation of fumes, subsoil drainage, etc.) with a carrying value on 31 December 2021 of €9.4 million euros (€4.3 million on 31 December 2020). In addition, investments for the amount of €5.1 million were made during 2021 (€0.9 million in 2020).

The consolidated income statements for fiscal years 2021 and 2020 include expenses related to environmental protection for the amounts of €1.6 million and €1.4 million, respectively.

The Group has made investments for an amount of €41.0 thousand in 2021 related to photovoltaic panels intended for the production of electricity for self-consumption in 2021, the carrying value of which amounts to €1,117 thousand as of 31 December 2021 (€1,142 thousand as of 31 December 2020). The income statement for 2021 includes expenses related to the maintenance of these plates, which amount to €2 thousand (€16 thousand in 2020), and related depreciation expenses that amount to €66 thousand

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(€63 thousand in 2020); but it does not include any amount at all for electricity tax expenses in 2021 and 2020.

The Parent Company's Administrators consider that the measures adopted adequately cover all possible needs, and hence there are no environmental risks or contingencies. Accordingly, no subsidies or income related to these activities have been received.

### **31. Risk exposure and capital management**

The Group's activities are exposed to various financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's global risk management program focuses on the uncertainty of financial markets and seeks to minimise the potential adverse effects on its financial profitability.

Risk management is controlled by the Group's Treasury Department, which identifies, assesses and hedges for financial risks in accordance with the policies approved by the Board of Directors. The Board provides written policies for overall risk management, as well as for specific areas such as foreign exchange risk, interest rate risk, liquidity risk, use of derivatives and non-derivatives and investment of surplus liquidity.

#### *Interest rate risk*

As of December 31, most of the Group's debt was at a fixed rate, which minimises the risk of a possible increase in interest rates. As described in Note 17, the main debt instruments are as follows:

- On 22 September 2021, the Parent Company proceeded to conclude and disburse an issuing of senior unsecured debentures for an aggregate nominal amount of €300 million, at a fixed annual interest rate of 2.125%, maturing on 22 September 2026.
- On 17 July 2020, the Parent Company arranged a revolving credit facility for €275 million, for an initial term of 3 years with the possibility of an extension for an additional year (this renewal was granted on 30 June 2021, and entered into force on 17 July 2021, and therefore will mature on 17 July 2024), and this facility was earmarked for general corporate purposes. This credit facility accrues interest at a variable rate linked to Euribor. As of December 31, the Group has not drawn down any amount under this policy.
- On 27 March 2019, the Parent Company arranged a loan facility with the European Investment Bank (EIB) for up to €120 million to fund its research and development efforts, with the objective of providing cutting-edge innovation and differentiated therapies in the area of medical dermatology. The first tranche of €80 million was granted on 17 April 2019, at a fixed interest rate of 1.35%, with 32 equal repayments of principal between 17 April 2021 and 17 April 2029, with the latter date being the final maturity. Due to the issue of new debt, the interest rate is temporarily increasing by 0.30%, and therefore the interest rate is 1.65%.

#### *Exchange rate risk*

The Group is exposed to exchange rate risk on certain transactions arising from its business activities. This exchange rate risk is mainly related with incoming payments in dollars corresponding to sales of finished product, incoming and outgoing payments derived from the transaction with AstraZeneca, payments in dollars on the licensing agreements with Athenex, Dermira or Sun Pharma, payments in dollars for clinical trials, purchases of raw materials and royalty payments in yen and dollars. The most relevant currency in which the group operates is the U.S. dollar.

The Group analyses quarterly the expected incoming and outgoing payments in foreign currencies, as well as the evolution and trends in these currencies. In recent years, the Group has reduced its exposure to exchange rate risk in larger commercial transactions by taking out specific insurance policies for exchange rates to cover payments in yen for the purchase of raw materials and to cover incoming cash flows in USD.

Until 24 November 2021, the Group's Parent Company had been granted an intra-Group loan as borrower by Almirall, Inc. in USD. This loan has not been hedged, since as of 1 July 2020 the loan became part of the net investment in that company and, therefore, the exchange differences generated since that date have been recognised under translation differences in equity (see Note 15). On 24 November 2021 Almirall, S.A. proceeded to capitalise the nominal amount of this loan, together with

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the interest pending payment. Therefore, as of that date no additional exchange difference has been generated in the Parent Company.

*Liquidity risk*

The Group determines its cash requirements using two fundamental forecasting tools that vary in terms of their time horizon.

On the one hand, a monthly cash budget is established for one year, based on the forecast financial statements for the current year, and deviations from the forecast are analysed on a monthly basis.

In addition, medium- and long-term liquidity planning and management is based on the Group's Strategic Plan, which covers a five-year time horizon.

Cash surpluses in foreign currencies are invested in deposits when payments are expected to be made in that currency, mainly US dollars.

The financing instruments include a series of covenants which, in the event of default, would result a demand for immediate payment of these financial liabilities. The Group periodically assesses compliance (as well as expected future compliance in order to be able to take corrective measures, if necessary). As of 31 December 2021, all covenants are considered to be fulfilled, as mentioned in Note 17.

The Group manages liquidity risk prudently, maintaining sufficient cash and marketable securities, as well as arranging commitments for credit facilities for an amount sufficient to support expected needs.

As of 31 December 2021, the forecast for liquidity reserves is as follows:

	<b>2022</b>	<b>2023 and following years</b>
Cash and other cash equivalents	206,487	-
Current financial investments	899	-
Credit lines agreed by banks, not used	-	275,000
<b>Closing Balance</b>	<b>207,386</b>	<b>275,000</b>

The following table presents an analysis of the Group's financial liabilities that are settled on a net basis grouped according to maturity dates for the remaining period from the balance sheet date to the contractual maturity date. The amounts shown in the table correspond to contractual non-discounted cash flows. Balances payable within 12 months are equal to the carrying amounts, since the effect of discounting is negligible.

	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>More than 5 years</b>
<b>At 31 December 2021</b>				
Loans with credit institutions	12,314	10,962	32,076	25,886
Financial derivatives for trading	-	-	-	-
Obligations	1,742	6,375	317,531	-
Liabilities for leases	6,278	5,388	8,249	525
Trade and other payables	177,800	-	-	-
<b>Total</b>	<b>198,134</b>	<b>22,725</b>	<b>357,856</b>	<b>26,411</b>
<b>At 31 December 2020</b>				
Loans with credit institutions	5,686	11,072	182,480	36,443
Financial derivatives for trading	2,966	-	-	-
Obligations	250,000	-	-	-
Liabilities for leases	6,262	5,129	7,853	500
Trade and other payables	162,143	-	-	-
<b>Total</b>	<b>427,057</b>	<b>16,201</b>	<b>190,333</b>	<b>36,943</b>

*Estimate of the fair value*

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The valuation of assets and liabilities measured at fair value must be itemised by levels according to the following hierarchy determined by IFRS 13:

- Level 1. Quoted prices (unadjusted) on markets, assets and liabilities identically.
- Level 2. Data other than the quoted price included in Level 1 that are observable for the asset or liability, both directly (i.e., prices) and indirectly (i.e., derived from prices).
- Level 3. Data for the asset or liability that is not based on observable market data.

As of 31 December 2021, and 2020, the itemisation of the Group's assets and liabilities measured at fair value grouped according to the aforementioned levels is as follows (in thousands of euros):

<b>2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Assets			
Financial assets at fair value with changes in Income <sup>(*)</sup>	-	-	98,175
<b>Total assets</b>	-	-	<b>98,175</b>
Liabilities			
Financial liabilities at fair value with changes in Income (Note 17)	-	-	-
<b>Total liabilities</b>	-	-	-

(\*) includes the long-term and short-term amounts derived from the transaction with AstraZeneca (see Notes 12 and 14).

<b>2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Assets			
Financial assets at fair value with changes in Income <sup>(*)</sup>	-	-	105,235
<b>Total assets</b>	-	-	<b>105,235</b>
Liabilities			
Financial liabilities at fair value with changes in Income (Note 17)	-	2,966	-
<b>Total liabilities</b>	-	<b>2,966</b>	-

(\*) includes the long-term and short-term amounts derived from the transaction with AstraZeneca (see Notes 12 and 14).

*Credit risk*

The Group manages credit risk through an individual analysis of the items included in accounts receivable. As a preventive measure, credit limits are established for sales to wholesalers, pharmacies and local licensees. In the case of hospital sales, given their minor significance, payment is collected afterwards once the debt is due.

Amounts considered to be bad debts, once all the pertinent collection procedures have been carried out, are provisioned at 100%. The balance of the provision at year-end 2021 and 2020 is €3,074 thousand and €7,770 thousand, respectively (see Note 14).

As for the impairment of financial assets due to credit risk, the Group invests mainly in very short-term, floating-rate instruments in entities with a high credit rating, in order to minimise any credit risk.

The Group does not have a significant credit risk, since it invests cash and arranges derivatives with highly solvent entities.

*Capital management*

The Group manages its capital to ensure the continuity of the activities of the Group companies of which it is the Parent Company and, at the same time, to maximise shareholder returns through an optimal balance between debt and equity.

The Group periodically reviews its capital structure in accordance with a five-year strategic plan that sets the guidelines for investment and financing needs.

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

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The leverage ratios as of 31 December 2021 and 2020 were as follows (in thousands of euros):

	31 December 2021	31 December 2020
Financial debts	372,006	472,645
Retirement benefit obligations	77,883	85,641
Cash and cash equivalents	(207,386)	(165,667)
<b>Net debt</b>	<b>242,503</b>	<b>392,619</b>
Equity	1,286,039	1,302,966
Share capital	21,573	21,374
<b>Leverage Index<sup>(1)</sup></b>	<b>18.9%</b>	<b>30.1%</b>

(1) Based on the calculation used by the Group to determine the leverage ratio (excluding the amount of "Other financial liabilities" included in the Note 18 and the lease liabilities included in Note 10).

### 32. Information on deferrals of payments to suppliers

The periods for payments to suppliers achieved by the Spanish companies of the consolidated group comply with the limits established in Law 15/2010 of 5 July, amending Law 3/2004 on combating late payment in commercial transactions. This Law establishes a payment deadline of 60 days.

The itemisation of payments for commercial transactions made during the year and those pending payment at year-end, in relation to the maximum legal deadlines provided for in Law 15/2010, which is itemised pursuant to the Official State Gazette published on 4 February 2016, is as follows:

	2021	2020
	Days	Days
Average period of payment to suppliers	46	49
Ratio of paid transactions	49	48
Ratio of transactions pending payment	20	60
<b>Total payments made</b>	<b>475,340</b>	<b>532,461</b>
<b>Total payments due</b>	<b>51,525</b>	<b>41,712</b>

This balance refers to the suppliers of the Spanish companies of the Group's consolidation perimeter which, by their nature, are trade creditors for debts with suppliers of goods and services. The average payment period in 2021 for these companies was 46 days (49 days in 2020).

### 33. Impacts of COVID-19

In the case of Spain, on 25 October 2020 the Government declared a state of alarm throughout the national territory to contain the spread of infections caused by SARSCoV-2, by Royal Decree 926/2020. On 9 November 2020, the state of alarm was extended for a period of 6 months until 00:00 hours on 9 May 2021. On the latter date, the state of alarm ended and with it began the de-escalation of certain measures restricting mobility and certain economic activities, and as the curfew came to an end. The same has been happening in other countries where the Group operates.

In particular, in Germany everything has been managed according to local regulations ("Bund-Länder-Treffen") by adopting specific measures for employees in production, sales network or office to ensure the supply of products to patients as well as the safety of employees. Most office employees work from home, while those who go to work in person or have contact with clients have free test kits at their disposal.

In the United States, on the other hand, in-person access to health professionals remains below pre-Covid levels. Following guidance from the Center for Disease Control (CDC), several measures have been taken during 2021 to reduce the impact of these restrictions on the performance of our product portfolio.

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In November 2021, a new variant of the virus called Omicron was detected, which has led to renewed lockdowns in some regions, although the impact on the Group's operations has been minimal. This variant is characterised by a higher rate of infection, although the symptoms appear to be less severe, which, together with the high vaccination rates, means that as of 31 December 2021, the Group's management considers that the pandemic situation will not worsen to a scenario such as that experienced in the first half of 2020.

Given the sector in which the Group operates, its activities are considered essential, and hence they have not been interrupted by the various measures adopted since March 2020 (states of alarm or lockdowns), especially with regard to the production activity of both the Group's production centres (located in Spain and Germany) and to the third-party manufacturers that supply certain products. There have been no supply shortages during this period.

Despite not having interrupted production activity, the Group's sales have been negatively impacted in those products for colds (due to social distancing measures) or products that were not for chronic treatments, especially due to the restriction of people's mobility, which has caused delays and cancellation of product marketing campaigns, as well as the reduction of demand at global level in the different countries in which the Group operates.

In this context it should be noted that the impact of COVID-19 in EU countries has been less than in the United States as a result of the type of product sold in each of these territories. The EU market and especially products related to chronic treatments have been the least impacted, while in the United States, where the product portfolio is of the so-called non-essential products, the drop in sales was more pronounced in 2020. Fiscal year 2021 has witnessed a rebound in prescriptions in the US, while the EU has generally returned to pre-Covid levels, with the exception of the aforementioned cold products. It should be noted that the market share of the Group's main products has not been significantly impacted and that most of the sales are in keeping with the market trend.

From the point of view of R&D activities, there have been delays, not cancellations, in some activities related to clinical trials, given the restrictions on access to hospitals that hindered the recruitment of new patients. In spite of this, Management considers that there have been no significant delays that could have an impact in the medium to long term. The registration process for Klisyri in the United States was completed in December 2020, while in the EU the product received regulatory approval from the European Medicines Agency (EMA) on 19 July 2021. As for Phase-III trials of Lebrikizumab, the development schedule remains on track for submission for registration with the EMA in 2022 and subsequent approval and launch in 2023.

Marketing campaigns have been the most affected due to the lockdown and measures imposed to prevent contagion. As a result, various activities such as congresses or medical sales visits have been cancelled and/or postponed. In this regard, the Group has made an effort to advance in the digitalisation of certain processes and activities in order to maintain its normal operations, while at the same time complying with the social distancing measures and restrictions on access to medical centres.

Lastly, support and administration activities have continued to be carried out by adopting certain flexibility measures at the different work centres and in accordance with the exceptional measures adopted in each country. In general, Group companies have opted for teleworking for all those functions that allow it, and this has not resulted in any significant disruptions.

In the present note, the Group's Management proceeds to assess the impacts of the COVID-19 outbreak that have affected the company's operations in the EU and in the United States, which are the regions where the Group has its greatest presence, as is apparent in the itemisation of the net turnover (Note 21).

*Impairment of non-financial assets*

As of 31 December 2021, no significant risks have been identified except for those already mentioned in Note 9 that are associated with the portfolio acquired in the business combination of Aqua Pharmaceuticals, LLC in 2013 (now Almirall LLC) and the "Allergan portfolio". Nevertheless, certain government measures to limit pharmaceutical spending in the different regions in which the Group

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operates, as well as a greater than expected impact of the Omicron variant on the global economy or the emergence of new variants, could force us to reconsider new scenarios in the future.

A sensitivity analysis of the main intangible assets and cash-generating units is included in Note 5-d). This analysis contemplates scenarios of both a drop in revenues and increases in the discount rate derived from an increase in the cost of financing due to the rise in interest rates on the debt markets.

As for intangible assets related to products currently under development, no additional risk has been detected due to possible delays in the various activities required for their completion, as mentioned above.

As for the tax credits recognised in the balance sheet, which are mainly within Spain (Note 22), the Management has reassessed the plan for the recoverability of the assets, and no indications of impairment due to the impact of COVID-19 have arisen as of 31 December 2021. However, future fiscal measures that may be adopted by the Spanish government in view of the new macroeconomic environment could significantly affect this plan, such as the recent amendment to the Spanish corporate income tax law described in the Note 22.

Regarding the valuation of stocks, since it has been possible to sell the products without interruptions, no provision has been made for slow turnover or expiry linked to COVID-19 (Note 13).

*Impairment of financial assets*

In relation to accounts receivable, the Group has not seen an increase in doubtful debts in the fiscal year, and no relevant balance has been allocated for this purpose. The debt with hospitals may constitute the greatest risk due to possible cash-flow problems that the health administrations of the different countries may experience in the face of the increase in the deficit. In this regard, the Group's Management expects that any delay in payments would not significantly impact the Group's equity or liquidity, since hospital debt amounts to only 3.6% of the Group's accounts receivable as of 31 December 2021 (Note 14).

As for the financial assets corresponding to the fair value of future long-term payments to be received from AstraZeneca (Note 12), the Group's Management has updated the projections in accordance with the methodology described in Note 7, and no significant impact related with COVID-19 has been observed. Nevertheless, since these flows are linked to the performance of products managed by a third party, the Group has limited visibility in the short term, and hence future revaluations of these assets could give rise to changes in the estimates that would have to be adjusted prospectively in the income statement. As regards the valuation of this asset in future years, however, account should be taken of the subsequent event described in Note 34.

Lastly, with regard to the Group's liquidity position, no deterioration was observed, mainly due to three factors:

- As indicated in the Note 31, the Group has no relevant maturities of financial debt until September 2026, when the senior notes issued in 2021 for a nominal amount of €300 million mature (Note 17). In addition, the Group has a credit facility with a limit of up to €275 million to cover possible short-term liquidity needs, and as of the end of 2021, no balance of this line of credit was drawn down.
- In relation to incoming payments, as mentioned above, there have been no delays, and therefore cash generation has not been affected.
- Finally, given the slowdown in certain activities due to the various restrictions imposed to contain the spread of the virus, the volume of payments decreased slightly as a result of the decline in the Group's overall activity.

*Significant uncertainties and risks associated with COVID-19*

As discussed in the previous sections, the main risks and uncertainties stem largely from the new macroeconomic environment following the pandemic, as well as the appearance of the Omicron variant or the possibility of new variants in the future.



**Almirall, S.A. and Subsidiaries (Almirall Group)**

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for the year ending on 31 December 2021  
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In this regard, the main uncertainties that could significantly affect the estimates made on 31 December 2021 are as follows:

- Measures applied by the governments where the Group operates to contain pharmaceutical spending in view of the increase in the deficit and public debt generated by the exceptional measures to mitigate the effects of COVID-19. These measures could take the form of additional contributions to national health systems in the form of discounts, measures to favour the use of generic drugs to the detriment of branded drugs, application of reference prices by groups of molecules, lower reimbursement prices for new launches, among others.
- Measures applied by governments to maximize tax revenues, either in the form of tax increases or in the form of restrictions on the use or granting of tax incentives.
- Increase in the cost of debt on the markets that would hinder or limit the Group's activity and/or growth in certain geographical areas.
- Slower rate of vaccination than initially expected due to lack of resources on the part of the administrations of the different countries, problems with the supply of the vaccine or uncertainties about the effects of the vaccine on people's health. Also, the possible effectiveness of the vaccine against the virus as well as against new variants.
- New waves of the virus that could limit the growth in and/or access to certain medicines by patients and/or limitations to the sales network for medical sales visits due to new restrictions on mobility; or budgetary constraints in choosing treatment by national health systems.
- Risk of disruption of the supply chain of the relevant products due to new outbreaks that could cause a shortage on the market and consequent loss of profit.

*Breakdown of items related with COVID-19 in the income statement*

During the fiscal year ending on 31 December 2021, no specific activities related to COVID-19 have been carried out, apart from the continuation of the measures adopted in 2020 and the reopening of certain services that had been cancelled during the months with the highest incidence of the virus (such as the fitness centres located on the Group's premises). In fiscal year 2021, certain expenses were incurred related to the adaptation of the facilities to the new healthcare requirements and the management of personnel in view of the mobility restriction, which totalled €456 thousand euros, with no new investments worthy of note (€1,284 thousand in expenditures and €158 thousand in investments in the fiscal year 2020).

The Group has not received any government aid for exceptional COVID-19 measures, and therefore does not implement any breakdowns in accordance with IAS 20 "Accounting for government grants".

Also, all lease contracts have been paid on time as agreed, without having arranged any deferral with the lessors, and therefore no additional breakdown is applicable regarding IFRS 16 "Leases".

**Almirall, S.A. and Subsidiaries (Almirall Group)**

Notes to the Consolidated Financial Statements  
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**34. Subsequent events**

On 29 October 2021, the Parent Company, AstraZeneca and Covis Pharma GmbH signed an agreement whereby AstraZeneca assigns to Covis Pharma GmbH, the global rights for Eklira and Duaklir, which would be effective at the time that these companies were to complete the transaction, which finally took place on 5 January 2022 (Note 12). as a result of this agreement, in addition to continuing to receive royalty payments under the terms initially established with AstraZeneca, the Company will receive a fixed amount of US\$10 million on the date on which the transaction is completed and US\$40 million in different tranches until September 2023, mainly linked to certain changes in the milestone structure initially established.

Additionally, at the date of preparation of these consolidated financial statements, the Board of Directors of Almirall, S.A. has agreed to propose to the General Shareholders' Meeting the distribution of a dividend charged to unrestricted reserves in the amount of €34.2 million (equivalent to €0.19 per share). For the purposes of this dividend distribution, it is proposed utilise again the "Flexible Dividend" shareholder remuneration system, already applied in 2021. In this manner, its shareholders are offered an alternative that allows them to receive bonus shares of the Parent Company without limiting their possibility of receiving an amount in cash equivalent to the dividend payment, as indicated in Note 4.

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).

**Almirall, S.A. and Subsidiaries (Almirall Group)**

**ANNEX: INFORMATION ON GROUP COMPANIES**

Name Address  Activity	Thousands of Euros						
	Laboratorios Almirall S.L. Spain	Laboratorios Tecnobío S.A. Spain	Industrias Farmacéuticas Almirall S.A. Spain	Ranke Química S.A. Spain	Almirall Internacional. BV The Netherlands	Almirall NV  Belgium	Almirall - Productos Farmacêuticos. Lda. Portugal
	Mediation services	Mediation services	Manufacturing of specialities	Manufacture of raw materials	Holding	Pharmaceutical laboratory	Pharmaceutical laboratory
<b>31 December 2021</b>							
Fraction of capital held							
- Directly	100%	100%	100%	100%	100%	0.01%	-
- Indirectly	-	-	-	-	-	99.99%	100%
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation
Capital	120	61	1,200	1,200	52,602	1,203	1,500
Reserves	7,739	471	51,977	19,103	69,034	2,213	2,327
Net profit/(loss) for the year	295	601	3,294	871	6,423	102	283
<b>31 December 2020</b>							
Fraction of capital held							
- Directly	100%	100%	100%	100%	100%	0.01%	-
- Indirectly	-	-	-	-	-	99.99%	100%
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation
Capital	120	61	1,200	1,200	52,602	1,203	1,500
Reserves	7,326	474	48,696	18,428	56,513	2,168	2,145
Net profit/(loss) for the year	360	(3)	3,378	675	12,521	46	182

Note: All information concerning the indicated companies is obtained from the individual financial statements of the different companies. For this reason, they do not reflect the effect that would result from applying consolidation criteria for the shares. Inactive companies other than those consolidated are not included.

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**Almirall, S.A. and Subsidiaries (Almirall Group)**

**ANNEX: INFORMATION ON GROUP COMPANIES**

	Thousands of Euros						
	Almirall BV	Almirall Europa Derma S.L	Almirall Limited	Almirall S.A.S.	Almirall SP. Z.O.O.	Almirall GmbH	Almirall AG
Name							
Address	The Netherlands	Spain	United Kingdom	France	Poland	Austria	Switzerland
Activity	Pharmaceutical laboratory	Marketing of beauty products	Pharmaceutical laboratory	Pharmaceutical laboratory	Pharmaceutical laboratory	Pharmaceutical laboratory	Pharmaceutical laboratory
<b>31 December 2021</b>							
Fraction of capital held							
- Directly	-	-	-	-	-	100%	100%
- Indirectly	100%	100%	100%	100%	100%	-	-
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation
Capital	4,000	61	571	12,527	12	36	901
Reserves	2,768	173	11,648	21,335	1,444	2,121	3,154
Net profit/(loss) for the year	352	(1)	404	1,535	16	242	1,005
<b>31 December 2020</b>							
Fraction of capital held							
- Directly	-	-	-	-	-	100%	100%
- Indirectly	100%	100%	100%	100%	100%	-	-
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation
Capital	4,000	61	571	12,527	12	36	901
Reserves	2,586	178	10,263	19,913	1,438	1,851	2,168
Net profit/(loss) for the year	182	(5)	579	1,422	17	270	514

Note: All information concerning the indicated companies is obtained from the individual financial statements of the different companies. For this reason, they do not reflect the effect that would result from applying consolidation criteria for the shares. Inactive companies other than those consolidated are not included.

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**Almirall, S.A. and Subsidiaries (Almirall Group)**

**ANNEX: INFORMATION ON GROUP COMPANIES**

Name	Thousands of Euros							
	Almirall SpA	Almirall Hermal GmbH	Almirall Aps	Almirall Inc	Subgroup(*) Almirall US	Poli Group Holding S.R.L.	Polichem, S.A.	Polichem S.R.L.
Address	Italy	Germany	Denmark	USA	USA	Italy	Luxembourg/ Switzerland/China	Italy
Activity	Pharmaceutical laboratory	Pharmaceutical laboratory	Pharmaceutical laboratory	Holding	Pharmaceutical laboratory	Holding	Pharmaceutical laboratory	Pharmaceutical laboratory
<b>31 December 2021</b>								
Fraction of capital held								
- Directly	-	100%	100%	100%	-	100%	-	0.4%
- Indirectly	100%	-	-	-	100%	-	100%	99.6%
% voting rights	100%	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation
Capital	8,640	25	17	-	-	31	1,351	540
Reserves	51,585	22,421	2,695	576,559	489,660	46,792	168,767	5,658
Net profit/(loss) for the year	3,192	25,804	354	(155,047)	(114,272)	(65)	23,921	985
<b>31 December 2020</b>								
Fraction of capital held								
- Directly	-	100%	100%	100%	-	100%	-	0.4%
- Indirectly	100%	-	-	-	100%	-	100%	99.6%
% voting rights	100%	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation	Full consolidation
Capital	8,640	25	17	-	-	31	1,351	540
Reserves	39,853	(7,516)	2,486	450,895	306,340	46,870	126,574	4,223
Net profit/(loss) for the year	11,732	25,799	207	(80,549)	(19,426)	(78)	33,712	1,435

Note: All information concerning the indicated companies is obtained from the individual financial statements of the different companies. For this reason, they do not reflect the effect that would result from applying consolidation criteria for the shares. Inactive companies other than those consolidated are not included.

(\*) Includes Aqua Pharmaceutical Holdings Inc and Almirall LLC holding companies

# Almirall S.A. and Subsidiaries (Almirall Group)

## **Consolidated Directors' report** (Year ended December 31, 2021)

*(Translation of a report originally issued in Spanish. In the event of discrepancy,  
the Spanish language version prevails)*

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## **1. Fiscal year summary: main achievements**

The 2021 financial year was still affected by the impact of the COVID-19 pandemic, although normality is gradually returning to normal in the various geographies where the Group's companies operate, as vaccination campaigns are progressing and mobility restrictive measures are being relaxed. However, the appearance of the new "Omicron" variant at the end of 2021 again added uncertainties, although it seems that its severity, despite the increase in cases, has been much less than in previous waves, so the impact on the Group's activity has not been significant for the time being. Despite this, the Group closed the year with an increase in net sales and a favorable business performance, especially in Europe.

Given the sector in which the Group operates, its activities are considered essential and therefore the activity has not been interrupted by the various measures taken since March 2020 (states of alarm or confinements), especially as regards the production activity of both the Group's production centers (located in Spain and Germany) and third-party manufacturers supplying certain products. There have been no shortages during this period.

Despite not having interrupted production activity, the Group's sales have been negatively impacted in products indicated for cold symptoms (due to social distancing measures and the use of masks) and products not indicated for chronic treatments have also been negatively impacted, mainly due to the restriction of people's mobility, which has had an impact both in terms of delay and cancellation of product promotion activities, as well as in the reduction of demand at global level in the different countries in which the Group operates.

In this context it should be noted that the impact of COVID-19 in the EU countries has been less than in the United States as a result of the type of product sold in each of these territories, being in the EU market and especially in the products related to chronic treatments those that have been less impacted and in the United States where the product portfolio is of the so-called non-essential products where the drop in sales was more pronounced in 2020. The year ending December 31, 2021 has seen a recovery in prescriptions in the US, while the EU has generally returned to pre-COVID 19 levels, with the exception of the aforementioned cold products. It should be noted that the market share of the Group's main products has not been significantly impacted and that most of the sales are in line with market developments.

From the point of view of R&D activities, there have been delays, not cancellations, in some activities related to clinical studies, given the restrictions on access to hospitals that made it difficult to recruit new patients. However, Management considers that there have been no significant delays that could affect the medium to long term. The registration process for Klisyri in the United States was completed in December 2020, while in the EU, approval was obtained from the European Medicines Agency (EMA) on July 19, 2021. As for Phase III Lebrikizumab, the development timeline remains on track with EMA registration submission in 2022 and subsequent approval and launch in 2023.

Promotional activities have been the most affected due to the confinement and the measures imposed to prevent contagion. As a result, various activities such as congresses, events and medical visits have been cancelled and/or postponed. In this regard, the Group has made an effort to advance in the digitalization of certain processes and activities in order to maintain the activity and, at the same time, comply with the social distancing measures and restrictions on access to medical centers.

Finally, support and administration activities have continued to be carried out by adopting certain labor flexibility measures in the different work centers and in accordance with the exceptional measures established in each country. In general, teleworking has been chosen in all those functions that allowed it without significant disruption.

The dividend proposed by the Board of Directors on February 18, 2021 was approved by the General Shareholders' Meeting held on May 7, 2021. The dividend payment has been instrumented as a flexible dividend in which shareholders have been offered a choice between receiving newly issued Parent Company shares or the cash amount equivalent to the dividend. The cash payment was chosen by 35.6% of the shareholders rights (resulting in a disbursement of EUR 11.7 million) and the remaining 64.4% opted to receive new shares at unit par value that were issued as a capital increase. On June 11, 2021, 1,661,175 new shares of the Parent Company were admitted to trading on the Barcelona, Madrid, Bilbao and Valencia stock exchanges.

From a liquidity standpoint, the Group ended the year with a cash position amounting to EUR 207.4 million (EUR 165.7 million at December 31, 2020). Such evolution is explained by:

- Solid cash flow from operating activities (EUR +233.8 million), thanks to the evolution of working capital items and the collection of corporate tax refunds mainly in Spain and the United States.
- Net payments from investing activities (EUR -57.2 million) resulting mainly from investments in the Group's production sites and various payments linked to licensing agreements as described in Note 9 to the Consolidated Annual Accounts, partially offset by royalty collections linked to the agreement with AstraZeneca.



- Net payments from financing activities (EUR -134.9 million) mainly as a result of the debt restructuring carried out in 2021 (EUR 150 million of a syndicated loan and EUR 250 million of the Convertible Bond were repaid and simple senior notes were issued for EUR 300 million) and the cash payment of the flexible dividend (EUR 11.7 million).

## **2. COVID-19 impacts**

Note 33 of the accompanying Consolidated Annual Accounts summarizes the main impacts of COVID-19 in year 2021.

## **3. Corporate development**

During the year ended December 31, 2021, the following corporate development agreements and relevant facts have taken place:

- On February 17, 2021 MC2 Therapeutics granted Almirall the marketing rights in Europe for Wynzora® cream for the treatment of plaque psoriasis. Wynzora® cream (50 µg / g calcipotriol and 0.5 mg / g betamethasone as dipropionate) received FDA approval in the United States on July 20, 2020 and completed the marketing authorization procedure (MAA) in Europe in July 2021.
- On March 16, 2021, it was announced that, following the 60-day data review period, Almirall decided not to exercise its option right to acquire Bioniz Therapeutics Inc. Under the terms of the Option Agreement, Almirall made an initial payment of \$15 million to Bioniz in exchange for an option to acquire all shares of Bioniz Therapeutics Inc. Following the decision not to exercise the option, Almirall will not be required to make any further payments based on this agreement.
- On May 21, 2021, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) issued a positive opinion regarding the regulatory approval of Klisyri® (tirbanibulin), indicated for the topical treatment of actinic keratosis (AK) on the face or scalp. Subsequently, final approval was obtained on July 19. In December 2020, Almirall's development partner, Athenex, Inc. received approval from the U.S. Food and Drug Administration (FDA) to market Klisyri® (tirbanibulin) in the United States.
- On July 1, 2021, Kaken Pharmaceutical granted Almirall exclusive rights to develop and commercialize efinaconazole topical solution in Europe. This active ingredient, an antifungal from the triazole family discovered by Kaken Pharmaceutical, is indicated for the treatment of onychomycosis, a fungal infection of the nail. Almirall plans to hold a meeting with the regulatory authorities prior to the application for marketing authorization of the product in Europe within the next 12 months.
- On August 16, 2021, the Group announced that Lebrikizumab produced a significant improvement of at least 75% in skin clearance in more than half of patients with moderate to severe atopic dermatitis (AD), as measured by the Eczema Area and Severity Index (EASI), in the Phase 3 ADvocate 1 and ADvocate 2 studies. In the top-line results of these two monotherapy studies in patients with AD, all primary and all major secondary endpoints, including skin clearing and improvement in itching, were met at week 16 of treatment.
- On September 13, 2021 Almirall, S.A. agreed to carry out an issue of senior unsecured debentures, with a maximum aggregate nominal amount of EUR 250 million (extendable to EUR 300 million depending on market conditions) and maturing in 2026 (the "Debentures"). The Notes would be senior notes secured by joint and several personal guarantees provided by certain subsidiaries. This transaction was finally closed on September 22 for an amount of EUR 300 million and with a fixed interest rate of 2.125%. The main purpose of this issue was the payment of the Convertible Bond in the amount of EUR 250 million maturing on December 14, 2021.
- On November 1, 2021 AstraZeneca agreed to transfer the global rights to Eklira (aclidinium bromide), known as Tudorza in the US, and Duaklir (aclidinium bromide/formoterol) to Covis Pharma Group. Almirall will continue to receive milestone and royalty payments under the agreement initially signed with AstraZeneca. This transaction was finally completed on January 5, 2022.
- On December 14, 2021 Almirall and Ichnos Science announced the exclusive license agreement for ISB 880, an IL-1RAP antagonist. Under the agreement, Almirall has acquired global rights to develop and commercialize this monoclonal antibody for autoimmune diseases. Ichnos will retain the rights to antibodies targeting the IL-1RAP pathway for oncology indications.
- On December 21, 2021, the Group announced that Lebrikizumab significantly improved disease severity when combined with topical corticosteroids (TCS) in people with moderate to severe atopic dermatitis (AD)

in a third pivotal Phase III trial (ADhere). At week 16, the study met all primary and key secondary endpoints.

#### **4. Evolution of key figures in the consolidated income statement**

- Operating income amounted to EUR 836.5 million (+2.7%) due to:
  - EUR 827.2 million (+2.4%), thanks to the growth of Ilumetri in Europe, the launch of Klisyri in 2021 (Germany and the United States, mainly) and the good performance of the domestic market, which was offset by the erosion of generics in the United States and lower deferred revenues linked to the licensing agreement with AstraZeneca.
  - Other income increased to EUR 9.3 million (+31.8%), mainly due to the change in the fair value of the financial asset linked to the agreement with AstraZeneca.
- R&D expenses for the year amounted to EUR 73.6 million (-6.7%), decreasing slightly due to several studies that ended in 2020, some delays in some activities due to COVID-19 and studies linked to the development of Lebrikizumab in the EU and sarecycline for China that have started in the last quarter of the financial year 2021.
- Operating expenses have seen an increase due to new launches (Klisyri in the US and Europe and the progressive launch of Ilumetri in the EU), combined with increased activity as restrictions linked to COVID-19 have been lifted.
- Depreciation and amortization decreased slightly to EUR 119.9 million (-2.6%) as a result of the impairment made in 2020 on certain US assets and, additionally, the impact of the US dollar exchange rate.
- The heading "Impairment losses on property, plant and equipment, intangible assets and goodwill" in the accompanying Consolidated profit and loss Statement includes in 2021 the impairment losses on certain assets in the United States, as explained in Note 9 to the accompanying Consolidated Annual Accounts.
- The heading "Net results on disposal of assets" includes the loss associated with the option paid in 2019 to Bioniz for the option to acquire all of its shares, since in March 2021 it was decided not to exercise this option, as explained in Note 9 of the accompanying Consolidated Annual Accounts.
- As a result of the above, the pre-tax result amounts to a loss of EUR 9.1 million, compared to a profit of EUR 79.2 million in the 2020 financial year.
- Finally, the Income Tax heading includes the impact of the amendment to the Spanish Corporate Income Tax Law, amounting to a loss of EUR 19.9 million, as explained in Note 22 to the accompanying Consolidated Annual Accounts.

#### **5. Consolidated balance sheet. Financial position**

The main variations of the Consolidated Balance sheet as of December 31, 2021 compared to December 31, 2020 are described below:

- Intangible assets decreased mainly as a result of the amortization for the year, the impairment and derecognition of assets related to the US market described above, partially offset by investments related to licensing agreements and the positive effect of the US dollar exchange rate on US assets.
- Inventories have decreased due to new launches and the building of safety inventories in previous years as a result of the reorganization of production between the Group's different sites.
- Trade debtors have increased mainly due to sales in the Spanish and German markets.
- Financial debt decreased mainly due to the repayment in advance of the syndicated loan (EUR 150 million) and the payment of the Convertible Bond (EUR 250 million), partially offset by the issuance of senior unsecured notes (EUR 300 million).
- Non-current liabilities (excluding financial debts) decreased mainly due to the recognition in the income statement of deferred income, as mentioned in Note 16 to the accompanying consolidated financial statements.

- Current liabilities (excluding financial liabilities) have increased due to the increase in trade payables and the EUR 20.8 million up-front related to the signing of the license agreement with Ichnos Science, which at December 31, 2021 was pending payment.

## **6. Financial risk management and use of hedging instruments**

### **Interest rate risk**

At December 31 most of the Group's debt is at a fixed rate, minimizing the risk of a possible increase in interest rates. As described in Note 17, the main debt instruments are as follows:

- On September 22, 2021, the Parent Company, has proceeded to the issuance of senior unsecured notes for an aggregate nominal amount of EUR 300 million, with an annual fixed interest rate of 2.125% and maturing on September 22, 2026.
- On July 17, 2020, the Parent Company entered into a revolving credit facility, amounting to EUR 275 million, for an initial term of 3 years with the possibility of an extension of 1 additional year (such renewal has been granted effective June 30, 2021, effective July 17, 2021, therefore maturing in July 2024) and intended for general corporate purposes. This policy accrues a variable interest rate tied to Euribor. At December 31, 2021, the Group had no amount drawn on this policy.
- On March 27, 2019, the Parent Company formalized a loan with the European Investment Bank (EIB) for up to EUR 120 million to finance its research and development efforts, with the aim of offering cutting-edge innovation and differentiated therapies in the area of medical dermatology. The first tranche of EUR 80 million was granted on April 17, 2019 at a fixed interest rate of 1.35%, with 32 equal principal repayments between April 17, 2021 and April 17, 2029, the latter being the final maturity. Due to the issuance of new debt, the interest rate is increased by 0.30% temporarily, resulting in an interest rate of 1.65%.

### **Foreign currency risk**

The Group is exposed to exchange rate risk in certain transactions derived from its activity. These are mainly collections in dollars corresponding to sales of finished products, collections and payments derived from the operation with AstraZeneca, payments in dollars derived from license agreements with Athenex, Dermira or Sun Pharma, payments in dollars for clinical trials, purchases of raw materials and royalty payments in yen and dollars. The most relevant foreign currency in which the Group operates is the US dollar.

The Group analyzes quarterly the forecasts of collections and payments in foreign currencies as well as their evolution and trend. During the last few years, the Group has reduced its exposure to exchange rate risk in those commercial transactions of greater volume, by contracting specific exchange rate insurance to cover payments in yen for the purchase of raw materials, and to cover cash inflows in USD for collections.

Until November 24, 2021, the Parent Company of the Group was the borrower of a loan between companies of the group, with Almirall, Inc., in USD. Said loan has not been hedged since July 1, 2020 it has been considered as more value of the investment and, therefore, the exchange differences generated from that moment have been recorded in the translation differences section of the equity (see Note 15). On November 24, 2021 Almirall, S.A. proceeded to capitalize the nominal amount of said loan together with the interest pending to be paid, therefore as from that date no additional exchange difference has been generated in the Parent Company.

### **Liquidity risk**

The Group determines cash requirements using two fundamental forecasting tools that vary in terms of their time horizon.

On the one hand, a one-year monthly cash budget is established based on the forecast financial statements for the current year, from which the variances are analyzed monthly. On the other hand, 24-month forecasts are set up, which are updated monthly.

On the other hand, medium and long-term liquidity planning and management is based on the Group's Strategic Plan covering a five-year time horizon.

Cash surpluses in foreign currency are invested in deposits in those cases where there is a provision to make payments in that currency, mainly US dollars.

The financing instruments include a series of "covenants" which in the event of non-compliance would imply the immediate enforceability of such financial liabilities. The Group periodically evaluates such compliance (as well as future expectations of compliance in order, where appropriate, to be able to take corrective action). As of December 31, 2021, all "covenants" are fulfilled, as mentioned in Note 17.

The Group performs prudent liquidity risk management, maintaining sufficient cash and marketable securities, as well as the hiring of credit facilities committed enough to meet the intended needs.

## **7. Risk factors**

Risk factors worthy of mention that may affect the achievement of the business objectives are the following:

- Price reductions or volume limitations for existing products and difficulties in obtaining the prices or reimbursement conditions requested for new releases by decisions of the health authorities, with the consequent impact on sales forecasts.
- Erosion of turnover and loss of market share due to the progressive entry of generics.
- Cyber-attacks or security incidents that may allow access to confidential information or cause a disruption of business activities.
- Impairment of intangible assets and goodwill due to income flows below those projected.
- Pipeline of R&D not sufficiently balanced and differentiated in its different phases to nourish the product portfolio.
- Prolonged and higher than expected impact of COVID-19.

Additionally, in Note 33 of the accompanying Consolidated Annual Accounts, additional risks related to COVID-19 are detailed, as well as in section 1.5 of the Non-financial Information Report where the Group's risk management system is explained.

## **8. Treasury shares**

The Parent Company maintains a liquidity contract with a financial intermediary, effective as of March 4, 2019, with the objective of increase and stability in the share price of the Company, within the limits established by the General Meeting of Shareholders and by current regulations, in particular, Circular 1/2017, of April 26, of the National Securities Market Commission, on liquidity contracts. Said contract assumes that the Parent Company owns, at December 31, 2021, treasury stock representing 0.08% of the share capital (0.09% at December 31, 2020) and a global nominal value of EUR 16.8 thousand and which have been registered in accordance with IFRS-EU. The average acquisition price of these shares has been EUR 11.3 per share. The shares of the Parent Company in its possession are intended to negotiate in the market.

## **9. Outlook for 2022**

The 2022 financial year is expected to see a continuation of the business progress seen in 2021, continuing the planned product launches and the development of the research pipeline. Note 33 of the accompanying Consolidated Financial Statements and this management report describe the main impacts of the 2021 financial year as well as the risks and uncertainties facing the Group.

With regard to new products, Klisyri is expected to be launched in 2022 in most of the European Union (following the launch in 2021 in Germany and the United Kingdom). In addition, Wyzora will also be launched in Europe and Ilumetri is expected to continue to grow in the various markets where it is present.

In terms of R&D activities, the company expects to complete Phase 3 of Lebrikizumab and subsequently file the registration for Europe in the second half of 2022. In addition, we expect to continue developing the pipeline in preclinical and clinical phases with innovative treatments for dermatology.

Finally, the Group's management continues to focus on opportunistic M&A transactions that fit in with the Group's commercial strategy, always with a prudent financial attitude.

## **10. Annual Corporate Governance Report**

The Annual Corporate Governance report is attached hereto as Annex II.

## **11. Capital structure. Significant ownership interests**

The share capital of the Parent Company as of December 31, 2021 is represented by 179,776,802 shares with a par value of EUR 0.12, fully subscribed and paid up (178,115,627 shares as of December 31, 2020).

In Note 15 of the attached Consolidated Annual Accounts the movement of capital during the year is detailed, the increase of which is due to the flexible dividend paid in the year.

Shareholders with significant ownership in the capital stock of Almirall, S.A. both direct and indirect, greater than 3% of the share capital, of which the Parent Company is aware, according to the information contained in the official records of the National Securities Market Commission as of December 31, 2021 and December 31 of 2020, are the following:

<i>Name of direct holder of the ownership interest</i>	<i>% interest 31/12/2021</i>	<i>% interest 31/12/2020</i>
Grupo Plafin, S.A.	40.9%	40.9%
Grupo Corporativo Landon, S.L.	18.8%	18.8%
Wellington Management	5.1%	-
Artisan Partners	3.6%	-
<b>Total</b>	<b>68.4%</b>	<b>59.7%</b>

On December 31, 2021 and 2020, the Parent Company is unaware of there being other ownership interests of 3% or more in the share capital or voting rights of the Parent Company, or other interests which, despite being less than this percentage, enable the holder to exercise a significant influence over the Parent Company.

## **12. Side agreements and restrictions on transferability and voting rights**

There is a shareholders' agreement, duly notified to the CNMV and whose full text can be consulted on the website [www.almirall.com](http://www.almirall.com), signed by Mr. Antonio Gallardo Ballart and Mr. Jorge Gallardo Ballart, which regulates the concerted action of its signatories in Almirall, S.A. and the exercise of the voting rights inherent to their indirect participation in the Company through the company Grupo Plafin, S.A.U. and Todasa, S.A.U. (now Grupo Corporativo Landon, S.L.).

The Articles of Association impose no restrictions on the transferability of the shares of the Company, and neither are there any restrictions on voting rights pursuant to the Articles of Association or regulations.

## **13. Governance bodies, Board of Directors**

### **Appointment of Directors**

The directors are appointed (i) upon proposal by the Appointments and Remuneration Committee, in the case of independent directors, and (ii) following a report by said Committee in the case of other directors, by the General Shareholders' Meeting or by the Board of Directors in accordance with the provisions of the Spanish Companies Law.

Newly appointed directors are required to complete the Parent Company's orientation course for new directors so that they can rapidly build up sufficient knowledge of the Parent Company and of its corporate governance rules.

As for the appointment of external directors, the Board of Directors seeks to ensure that the candidates chosen are persons of recognized solvency, competence and experience. Particular care is taken in relation to those called upon to fill the independent director positions envisaged in Article 6 of the Board Regulations.

Directors proposed for re-appointment must refrain from participating in the deliberations and voting procedures concerning them.

Directors hold office for the term stipulated by the General Meeting, which is equal for all and may not exceed four years, at the end of which they may be re-elected one or more times for periods of the same maximum duration.

### **Replacement of Directors**

Directors cease to hold office when the period for which they were appointed has elapsed and when a decision to this effect is adopted by the General Meeting, exercising the powers attributed to it by law or by the Articles of Association. In any event, the appointment of directors expires when, once its term has elapsed, the following General Meeting has been held, or the legal time limit for holding the General Meeting to approve the accounts for the previous year has passed.

The Board of Directors may only propose the removal of an independent director before the expiry of the statutory term when there is due cause, acknowledged by the Board following a report by the Appointments and Remuneration Committee. In particular, due cause is understood to exist when a director has breached the duties inherent to his/her position or has come to be in any of the circumstances which bar him/her from holding this office, as described in the definition of independent director contained in corporate governance recommendations applicable at the time.

Directors who are the subject of removal proposals must refrain from participating in the deliberations and voting procedures concerning them.



The directors are required to tender their resignation to the Board of Directors and formalize such resignation, where the Board considers this appropriate, in the following cases:

- a) Where they cease to hold the executive posts with which their appointment as directors was associated.
- b) Where they find themselves in any of the situations of incompatibility or barring from office stipulated by law.
- c) When seriously reprimanded by the Board of Directors for failing to discharge their obligations as directors.
- d) When their remaining on the Board could jeopardize or prove detrimental to the interests, credit or reputation of the Parent Company or when the reasons for which they were appointed cease to apply (for example, when a nominee director sells their shareholding in the Parent Company).
- e) In the case of independent directors, they may not remain in such positions continuously for more than 12 years; therefore, once this period has elapsed, they must tender their resignation to the Board of Directors and formally withdraw.
- f) In the case of nominee directors, (i) when the shareholder they represent sells its entire shareholding and, similarly, (ii) in the requisite number, when such shareholder reduces its shareholding to a level which requires the number of nominee directors to be reduced.

In the event that, due to resignation or for any other reason, a director leaves office before the end of their term, they are required to explain the reasons in a letter sent to all the Board members.

#### ***Amendment of the Company's bylaws***

Amendments to the bylaws are a competence of the General Meeting and are regulated by Article 160 of the Spanish Companies Law and other related legislation. There are no special provisions of relevance in this respect in either the bylaws or the General Meeting Regulations.

#### ***Powers of the members of the Board of Directors***

The Chief Executive Officer of the Company has delegated to him certain powers of the Board of Directors as per the deed authorized by the Notary Public of Barcelona Mr. Enrique Viola Tarragona on May 20, 2021.

Similarly, powers have been granted to Mr. Jorge Gallardo Ballart in the public deed executed before the Barcelona Notary Mr. Enrique Viola Tarragona on June 2, 2011.

#### **14. Significant agreements**

There are no significant agreements with regard to changes in the control of the Parent Company or between the Parent Company and its Directors and Managers or Employees with respect to indemnities for dismissal, resignation, or public takeover bids.

#### **15. Subsequent events**

On October 29, 2021, the Parent Company, AstraZeneca and Covis Pharma GmbH signed an agreement whereby AstraZeneca assigns to Covis Pharma GmbH the global rights of Eklira and Duaklir, which would be effective at the time when these companies complete the transaction, which finally occurred on January 5, 2022 (Note 12). As a result of this agreement, the Parent Company, in addition to continuing to receive royalty payments under the terms initially established with AstraZeneca, will receive a fixed amount of \$ 10 million on the date on which the transaction is completed and \$40 million in different tranches until September 2023, mainly linked to certain changes in the milestone structure initially established.

Additionally, at the date of preparation of these Consolidated Annual Accounts, the Board of Directors of Almirall, S.A. has agreed to propose to the General Shareholders' Meeting the distribution of a dividend charged to unrestricted reserves in the amount of EUR 33.8 million (equivalent to 0.19 euros per share). For the purpose of this dividend distribution, it is proposed to revert to the "Flexible Dividend" shareholder remuneration system, already applied in 2021. In this way, shareholders are offered an alternative that allows them to receive bonus shares of the Parent Company without limiting their possibility of receiving in cash an amount equivalent to the payment of the dividend as indicated in Note 4.

#### **16. Non-Financial Information Statement**

The Non-financial Information Statement is attached in Annex I of this document.

#### **17. Annual Remuneration Report**

The Annual Remuneration Report is attached as Annex III to this document.



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## **Informe de Verificación Independiente del Estado de Información no Financiera de Almirall S.A. y sociedades dependientes del ejercicio 2021**

A los Accionistas de Almirall S.A.:

De acuerdo con el artículo 49 del Código de Comercio, hemos realizado la verificación, con un alcance de seguridad limitada, del Estado de Información No Financiera (en adelante EINF) correspondiente al ejercicio anual finalizado el 31 de diciembre de 2021, de Almirall S.A. (en adelante, la Sociedad dominante o Almirall) y sociedades dependientes (en adelante el Grupo), que forma parte del Informe de Gestión Consolidado adjunto del Grupo.

El contenido del EINF incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en la tabla "Índice de los contenidos requeridos por la ley 11/2018, de 28 de diciembre" incluida en el EINF del Informe de Gestión Consolidado adjunto.

### **Responsabilidad de los Administradores**

La formulación del EINF incluido en el Informe de Gestión del Grupo, así como el contenido del mismo, es responsabilidad de los administradores de Almirall. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards* de Global Reporting Initiative (estándares GRI) seleccionados de acuerdo con lo mencionado para cada materia en la tabla "Índice de los contenidos requeridos por la ley 11/2018, de 28 de diciembre" que figura en el citado EINF.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los administradores de Almirall son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

### **Nuestra independencia y control de calidad**

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código Internacional de Ética para Profesionales de la Contabilidad (incluyendo las normas internacionales de independencia) emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia profesional, diligencia, confidencialidad y profesionalidad.



Nuestra firma aplica la Norma Internacional de Control de Calidad 1 (NICC 1) y mantiene, en consecuencia, un sistema global de control de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información No Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

## **Nuestra responsabilidad**

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Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado. Hemos llevado a cabo nuestro trabajo de revisión de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría y de la Revisión de Información Financiera Histórica" (ISAE 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas de España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en su naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad que se obtiene es sustancialmente menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades y áreas responsables del Grupo que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el informe y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal del Grupo para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.
- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el informe en función del análisis de materialidad realizado por el Grupo y descrito en el apartado "Estrategia en ESG" del EINF, considerando contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2021.
- Revisión de la información relativa con los riesgos, las políticas y los enfoques de gestión aplicados en relación con los aspectos materiales presentados en el EINF del ejercicio 2021.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el informe del ejercicio 2021 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- Obtención de una carta de manifestaciones de los Administradores y la Dirección.

## Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido, no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF de Almirall S.A. y sociedades dependientes correspondiente al ejercicio anual finalizado el 31 de diciembre de 2021, no haya sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados y de acuerdo con lo mencionado para cada materia en la tabla "Índice de los contenidos requeridos por la ley 11/2018, de 28 de diciembre" del citado EINF.

## Párrafo de énfasis

El Reglamento (UE) 2020/852 del Parlamento Europeo y del Consejo de 18 de junio de 2020 relativo al establecimiento de un marco para facilitar las inversiones sostenibles establece la obligación de divulgar información sobre la manera y la medida en que las actividades de la empresa se asocian a actividades económicas que se consideren medioambientalmente sostenibles en relación con los objetivos de mitigación del cambio climático y adaptación al cambio climático por primera vez para el ejercicio 2021 siempre que el estado de información no financiera se publique a partir del 1 de enero de 2022. En consecuencia, en el EINF incluido en el Informe de Gestión consolidado adjunto no se ha incluido información comparativa sobre esta cuestión. Adicionalmente, se ha incorporado información para la que los administradores de Almirall han optado por aplicar los criterios que, en su opinión, mejor permiten dar cumplimiento a la nueva obligación y que están definidos en el apartado "Adopción de la taxonomía europea por parte de Almirall" del EINF. Nuestra conclusión no ha sido modificada en relación con esta cuestión.

## Otras cuestiones

Con fecha 19 de febrero de 2021 otros verificadores emitieron su informe de verificación independiente del Estado de Información no Financiera consolidado de Almirall S.A. y sociedades dependientes del ejercicio 2020 en el que expresaron una conclusión favorable.

## Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.

KPMG Asesores, S.L.



Patricia Reverter Guillot

18 de febrero de 2022

Col·legi  
de Censors Jurats  
de Comptes  
de Catalunya

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2022 Núm. 20/22/00567

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## 1. Business Model

### 1.1. Introduction to the company

Almirall is a global biopharmaceutical company focused on skin health that collaborates with scientists and healthcare professionals to address patients' needs through science in order to improve their lives. The Noble Purpose guides the company's work: *'Transform the patients' worlds by helping them realise their hopes and dreams for a healthy life'*.

The company researches and invests in treatments that address unmet patient needs, which can also entail a significant emotional burden. Based on its experience, Almirall provides effective, real-world solutions that work across all phases of clinical development, including trials, approvals, launches, and physician and patient care.

One of its differentiating factors is its focus on patients' well-being and its ability to understand and meet their needs. To this end, Almirall makes all its scientific knowledge available to others and continuously invests in R&D to ensure a balanced portfolio that helps patients and also reinforces its leadership in dermatology. Almirall's commitment to patients, however, goes beyond the dermatological area. The company successfully produces and markets treatments in other strategic areas such as the central nervous system, the cardiovascular system and the gastrointestinal tract, among others.

Part of the company's success lies in the active relationship it has with both patients and key partners. Activities with partners such as healthcare professionals (HCPs), patient organisations (POs), patient advocacy groups (PAGs), and healthcare organisations and medical societies (HCOs) provide Almirall with a valuable opportunity to listen, understand and share. For this reason, the company has taken an active role in significant congresses and conferences such as those of the European Academy of Dermatology and Venereology (EADV) and the American Academy of Dermatology (AAD).

Almirall is listed on the Spanish Stock Exchange and has become a relevant source of value creation for society. In addition, since 22 June 2020 Almirall has been included in the IBEX 35, Spain's main stock market index.

Through its R&D efforts and agreements and partnerships with third parties, Almirall's operations cover the entire drug value chain, making it a specialist company, which enables it to achieve its goal of bringing the most innovative products to wherever they are needed.

### 1.2. Corporate Governance

Corporate governance at Almirall is guided by the Group's *Noble Purpose* (defined as *'Transform the patients' worlds by helping them realise their hopes and dreams for a healthy life'*, see section 3.1 for further details), which reflects the company's mission and unchanging essence. The aim is to ensure that the management model and the decisions taken by the Board of Directors and its committees uphold the long-term interests of the different stakeholders and guarantee the company's sustainability.

The critical elements are authority, transparency, shareholder protection and clear accountability.

The Noble Purpose and the company's corporate values are guaranteed not only through the systems established to comply with existing laws and regulations applicable to Almirall but also by leading with levels of transparency that allow us to gain the trust of patients and healthcare professionals, as well as other stakeholders, shareholders, investors, regulatory authorities, the sector as a whole and the media, etc.

In this regard, in 2021, the company published on its corporate website 14 new policies approved by the Board of Directors which, together with the four already published in 2020, as well as the internal Global Corporate Standards (Global Corporate Policies and their Standard Operating Procedures), determine how the essential guidelines of Almirall's corporate governance are regulated.

#### 1.2.1. Board of Directors

The Board of Directors carries out its duties with unity of purpose and independence, treating Almirall's shareholders equally and always guided by the interests of the company, with an absolute commitment to maintaining and protecting its value. It also ensures full compliance with laws and regulations, as well as compliance in good faith with its obligations and contracts, fully respecting the good practices of the sectors and territories where Almirall operates, and always complying with the principles of sustainability and social responsibility that the company has voluntarily integrated into its strategic objectives.

In 2021, thirteen directors (eight independent directors, three proprietary directors, one external director and one executive director), the non-director Secretary (José Juan Pintó Sala) and the non-director Vice-Secretary (Joan Figueras Carreras) made up the Board of Directors of the company.

The members of the Board were: Jorge Gallardo Ballart (Chairman and Proprietary Director), Tom McKillop (First Vice-Chairman and External Director), Carlos Gallardo Piqué (Second Vice-Chairman and Proprietary Director), Gerhard Mayr (Independent Director), Karin Louise Dorrepaal (Independent Director), Seth J. Orlow (Independent Director), Georgia Garinois-Melenikiotou (Independent Director), Enrique De Leyva Pérez (Independent Director), Alexa B. Kimball (Independent Director), Eva-Lotta Coulter (Independent Director), Ruud Dobber (Independent Director), Antonio Gallardo Torredededia (Proprietary Director) and Gianfranco Nazzi (Executive Director and CEO).

Director Gianfranco Nazzi joined in May 2021, replacing Peter Guenter who left Almirall on 31 December 2020 to pursue new career opportunities.

The Annual Corporate Governance Report and the Annual Report on Directors' Remuneration contain additional details regarding Almirall's Board of Directors.

## **Board Committees**

There are three Board Committees: the Audit Committee, the Appointments and Remuneration Committee, and the Dermatology Committee. Each of them operates with clear and defined roles, and their activity is regularly reviewed to ensure that the proposed objectives are achieved.

The committees meet quarterly and report their activities to the Board of Directors at each meeting.

### **1.2.2. Audit Committee**

The Audit Committee is responsible for reviewing the company's regularly published financial and non-financial information, ensuring compliance with all legal requirements and the correct application of relevant accounting standards. It also supervises the internal audit system, internal control systems and activities related to risk control and management, in addition to constant interaction with the external auditors.

The Audit Committee and, in particular, its Chairman assume the functions related to oversight of all matters relating to sustainability and ESG.

Almirall implements both an internal audit function and an annual external audit process to ensure the integrity and accuracy of all the information it publishes. Similarly, an important function of the Committee is management of the company's risks, which it does by supervising a management project that has been in place for many years, on the basis of which all operational risks are fully assessed and other risks, such as reputational, sustainability and information security risks, are duly managed.

The Audit Committee is composed of three directors, all of whom are non-executive directors, two of whom are independent directors and one of whom is an external proprietary director. The Committee Chairman is elected from among the independent directors. This director must be replaced every four years and may be re-elected after a period of one (1) year has elapsed since leaving office. The Secretary is appointed by the Committee members. The Committee normally meets on a quarterly basis to review the periodic financial information to be submitted to stock market authorities and the information the Board of Directors must approve and include in its annual public documentation. It also meets at the request of any of its members and whenever convened by its Chairman, who must do so whenever the Board or its Chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it is appropriate for the proper performance of its functions.

Additionally to the aforementioned functions, the Audit Committee is in charge of:

- Giving an account of its activities and reporting on its work to the first plenary session of the Board of Directors following its meetings.
- Taking minutes of its meetings, copies of which it must send to all the members of the Board.
- Preparing an annual report on its activities, highlighting any relevant incidents that may have arisen in relation to its duties. In addition, when it deems it appropriate, it includes in this report proposals for improving the company's governance rules.
- Calling on, or even ordering, any of the members of the Company's management team or staff to appear without the presence of any other manager. Likewise, it may require the attendance of the auditors at its meetings.
- Seeking the advice of external experts when it deems it necessary for the proper performance of its duties.

In 2021, the Committee, among other matters, reviewed the company's periodic financial information, the most relevant operations, sought the opinion of the external auditors, continuously monitored the company's main risks, verified the progress of the ESG programme initiatives and the degree of progress of the planned actions in information security, supervised the results of the ICFR tests and the criminal risk prevention and management



model, and reviewed the observations and recommendations derived from the internal audit reports as well as compliance with its activity plan.

#### 1.2.3. Appointments and Remuneration Committee

The Appointments and Remuneration Committee oversees the selection process and the remuneration policy for members of the Board of Directors and senior management of the company and its subsidiaries, in addition to supervising and coordinating the global strategic activities of Almirall's Human Resources area.

The Appointments and Remuneration Committee is responsible for formulating and reviewing the criteria to be followed regarding the composition of the management team of the company and its subsidiaries. Its responsibilities also include selection of candidates and evaluation of their skills and knowledge and of the experience required for the members of the Board of Directors and the company's management team, ensuring compliance with the remuneration policy established in this respect, as well as the review of potential conflicts of interest.

The Appointments and Remuneration Committee is made up of four external directors, three of whom are independent. The members of the Appointments and Remuneration Committee are appointed taking into account their knowledge, skills and experience, as well as the duties of the Committee. The Chairman of the Appointments and Remuneration Committee is an independent director elected from among these external directors. The Secretary of the Committee is appointed by its members. The Appointments and Remuneration Committee meets quarterly (normally). It also meets whenever convened by its Chairman, who must do so whenever the Board or its Chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it is advisable for the proper performance of its duties. The Committee must report on its activities and be accountable for its work to the first plenary session of the Board of Directors following its meetings. Likewise, the Committee must take minutes of its meetings, copies of which it must send to all the members of the Board. The Committee must consult with the Chairman and chief executive of the Company, especially on matters relating to executive directors and senior executives. The Appointments and Remuneration Committee may seek the advice of external experts when it deems it necessary for the proper performance of its duties.

Notwithstanding other duties that may be assigned to it by the Board of Directors, the Appointments and Remuneration Committee has the following basic responsibilities:

- Formulating and reviewing the criteria to be followed for the composition of the management team of the Company and its subsidiaries, as well as for selection of candidates.
- Reporting and submitting to the Board of Directors the proposed appointments of directors, senior executives and managers so that the Board may proceed with their appointment.
- Reporting to the Board regarding issues of gender diversity and director qualifications.
- Proposing to the Board of Directors the remuneration policy for directors and general managers or for those who perform their senior management duties under the direct supervision of the Board, executive committees or managing directors, as well as the individual remuneration and other contractual conditions for executive directors, ensuring that they are complied with.

Among other matters, during the 2021 financial year, the Committee debated and approved the reports evaluating the Chairman of the Board and Chief Executive and the functioning of the Appointments and Remuneration Committee to be submitted to the Board of Directors of the company for the corresponding purposes. The Committee also discussed the updating of the human resources plan, the composition of the Board and the re-election of directors. In addition, the SEUS evaluation and the proposal for 2021 were discussed.

#### 1.2.4. Dermatology Committee

The Dermatology Committee verifies and discusses Almirall's medical dermatology strategy and oversees activities related to implementation of this strategy, as well as relevant R&D and business development projects before the Board of Directors decides on them.

The Dermatology Committee usually meets quarterly. It must also meet whenever convened by its Chairman, who must do so whenever the Board or its Chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it is advisable for the proper performance of its duties. The Committee must take minutes of its meetings, copies of which it must send to all the members of the Board. The Board of Directors deliberates on the proposals and reports submitted to it by the Committee. The Dermatology Committee may seek the advice of external experts when it deems it necessary for the proper performance of its duties.

Its most important activities during the 2021 financial year were related to the review of potential business development operations, as well as the evaluation of R&D projects, always in the area of dermatology.



#### 1.2.5. Corporate Governance Committee

The Corporate Governance Committee is an internal committee chaired by the Chairman of the Board, and its functional scope includes corporate governance, corporate defence, risk management and internal auditing, as well as oversight in matters of compliance and sustainability.

The Committee is composed of Almirall's Chairman (who also chairs the Committee), the Chief Executive Officer, the Executive Vice President of Finance and CFO, the Executive Vice President of Research and Development, Chief Scientific Officer, the Senior Vice President of Human Resources, the Senior Vice President of Legal Affairs (vacant at the close of 2021), the Director of Internal Auditing and the General Counsel, who also acts as Secretary of the Committee.

Almirall also has an established Risk Management Committee, which reports to the Chairman of the company and to the Corporate Governance Committee and, through the Internal Auditing Director, to the Audit Committee of the Board of Directors.

#### 1.2.6. Management Board

Almirall's Management Board is the internal committee that leads the company's governance, reporting to the Chief Executive Officer, and it represents the most important areas of the organisation, defining the company's long-term objectives and strategies, establishing the principles and approving the contents of the various Almirall internal corporate policies.

The mission of the Management Board encompasses the following responsibilities:

- Directing all strategy and strategic decisions of the company not expressly reserved for the Board of Directors, in accordance with the general responsibilities and guidelines established by the Board of Directors and/or delegated by it to the Chief Executive Officer;
- Taking all extraordinary organisational decisions not expressly reserved for the Board of Directors or delegated to another committee, body or person;
- Managing the organisation in accordance with the general responsibilities and guidelines established by the Board of Directors and/or delegated by it to the Chief Executive Officer;
- Taking all day-to-day management decisions for the organisation not expressly reserved for the Board of Directors or delegated to another committee, body or individual; and
- Maximising the strategic value of Almirall's personnel management policies and working environment.

The members of the Management Board include the Chief Executive Officer, who chairs the Committee, the Executive Vice President of Finance, CFO, the Executive Vice President of Research and Development, Chief Scientific Officer, the Senior Vice President of Industrial Operations, the Senior Vice President of Legal Affairs (vacant at the close of 2021), the Senior Vice President of Human Resources, the Chief Digital Officer, the Chief Medical Officer, the Chief Commercial Officer Europe & International, and the General Counsel, who also acts as the Secretary of the Committee.

There are also other internal committees which report to the Management Board, including the Pipeline Committee, the Tax Committee, the Product Safety Committee and the ESG Committee.

#### 1.2.7. COVID-19

In 2021, most meetings of the company's internal committees, particularly of the Management Committee, continued to be held electronically, as did the meetings of the company's Board of Directors and of the Board Committees, including the company's Annual General Meeting held in May 2021, as well as the Extraordinary General Meeting held in June.

### 1.3. **Objectives and strategy**

The company's strategic focus is on (i) driving growth in dermatology while optimising the value of its current portfolio; (ii) expanding the portfolio and pipeline in priority therapeutic areas through an effective combination of R&D and corporate development; (iii) achieving selective expansion in key countries; (iv) increasing the company's competitiveness through greater proximity to Almirall's patients; and (v) promoting an organisation with a culture based on the company's corporate values.

### 1.3.1. Noble Purpose and Corporate Values

*'Transform the patients' worlds by helping them realise their hopes and dreams for a healthy life'*

Almirall's Noble Purpose is patient-centred and guides the Group's strategy, leadership, culture and mentality. It focuses on a unique patient experience, with solutions that offer the greatest possible benefit to the patient. The emphasis is on the patient's well-being, and therefore every effort is made to offer effective solutions. There is also active engagement with patients and the medical community to better understand their needs. Almirall's operating model, from scientific innovation to clinical development and marketing, is based on understanding the patient's environment in order to add value.

The millions of patients who use Almirall's treatments around the world place their trust in the company and expect it to be able to provide them with medical solutions that improve their well-being and quality of life.

The company offers medical solutions based on science. It undertakes research and invests in order to provide innovative treatments to the healthcare professionals who address their needs in the field of dermatology. Almirall cares about quality of life, and this gives it a better understanding and social awareness of diseases that cause people emotional distress, such as psoriasis.

Relationships with patients and other stakeholders depend to a large extent on awareness of the disease, and thus all of Almirall's activities are aligned with the strategy of raising awareness of these diseases, their symptoms and consequences, and of possible solutions.

Almirall is focused on delivering innovative, patient-centred solutions through science.

The entire organisation is committed to continuing to be a leader, and to being transparent and true to our Noble Purpose and sharing our values:

- *'Caring'*: Patients are always at the centre. The company listens to and empathises with patients, and they work with them to achieve success.
- *'Dedicated'*: The company's professionals never throw in the towel. They are committed, passionate, responsible and bold.
- *'Dynamic'*: The team is agile and tries to simplify, challenging the status quo and empowering the entrepreneurial mindset.
- *'Expert'*: In addition, Almirall always aims to stay one step ahead by being rigorous in everything it does and daring to try new things and to learn.

### 1.3.2. Research and Development

One of the key factors in Almirall's business model is its research and development (R&D) activities, which go back more than 40 years, the essential purpose of which is to provide innovative solutions to address unmet medical needs. Almirall's R&D focuses on areas where it can make a more significant contribution, with the aim of improving patients' health and quality of life. Thanks to its three specialised research centres, together with international partnerships, the company has products at almost all stages of development.

Almirall carries out most of its R&D activities at its facility in Sant Feliu de Llobregat (Barcelona), which opened in 2006. With over 27,500 m<sup>2</sup> of space, it is equipped with the most advanced technology and staffed with highly qualified professionals in all the disciplines involved in the research and development of new drugs. In addition to this facility, Almirall also has a chemical plant in Sant Celoni and another in Sant Andreu de la Barca (also in the Barcelona area), which provides the active ingredients needed for toxicological, preclinical and clinical studies. Other smaller-scale activities are carried out at the Group's sites in Reinbek (Germany) and Mendrisio (Switzerland).

Beyond R&D, Almirall is committed to strengthening the skills of healthcare professionals. To this end, the company organises and sponsors courses, conferences and medical meetings in each of the main therapeutic areas. In addition, Almirall's articles and clinical trial results are published in international scientific journals.

Knowledge sharing with the medical community also extends to collaborative projects. Almirall partners with academic institutions, hospitals and scientific societies to increase knowledge about diseases.

In addition to its own R&D programme, Almirall establishes agreements with public and private organisations, as well as with academic research teams and biotechnology companies around the world, to create a knowledge exchange network and promote innovation for the benefit of society. This enables the creation of new research programmes that respond to the current needs of society and, additionally, provides access to new technologies, thereby accelerating the process of identifying new drugs.

### 1.3.3. Digital Transformation

Like many other industries, the pharmaceutical industry is undergoing a major transformation. For this reason, and in order to remain a competitive industry over the long term, Almirall must include innovation in all the processes in its value chain and establish new approaches and strategies for launching new products.

In addition, the company is increasingly incorporating digital resources into its activities to establish more efficient processes, as well as to increase the reliability and speed of diagnosis of skin conditions, enabling it to develop solutions that go beyond medication. Almirall is harnessing the great potential of digitalisation and technology with the aim of transforming medicine, research and the way it interacts with its patients in a way that brings them value.

The company is pursuing this digital transformation by implementing new approaches based on four pillars:

- Commercial innovation: Thanks to the development of innovative actions, Almirall is able to differentiate its products and support healthcare professionals and patients.
- Innovation in R&D and production: Through the use of real-world data, the company is improving efficiency in drug production and decision-making processes in terms of time, cost and impact.
- External communications and digital outreach: The company generates a positive impact on its communications by promoting new digital business models with which it accesses new value niches.
- Data and analytics: Almirall is building a solid and complete database to provide a realistic view of the business.

As medicines and healthcare become more complex, digitalisation is progressing rapidly and is increasingly being incorporated at all levels of healthcare. Given the need for digital transformation, applications have been developed that enable healthcare professionals to diagnose and prescribe medicines to patients much more quickly and safely, while allowing them to monitor treatments and evaluate their effectiveness. In 2021, the company carried out a variety of initiatives, such as digital mental health solutions for psoriasis patients, algorithms applied to production aimed at greater efficiency and cost reductions in the manufacture of our products, tools for analysis and archiving of evidence from clinical trials, and algorithms for identifying potential relationships between proteins and indications.

Lastly, Almirall has a mentoring programme for healthcare startups and entrepreneurs called *Digital Garden* (<https://almiralldigitalgarden.com>). Digital Garden is Almirall's digital healthcare business accelerator for dermatology, and its purpose is to help start-ups focused on developing innovative technology-based services and solutions across the lengthy patient journey in dermatology to grow. It also seeks meaningful collaborations with leading minds outside Almirall to find solutions that address some of the dermatology challenges facing patients today. The *Digital Garden* is based in the Barcelona Health Hub, at the Sant Pau Hospital in Barcelona.

This initiative provides access to a nine-month acceleration programme at the Barcelona Health Hub. Almirall does not participate in the projects' equity but rather assists in the process of bringing start-ups to market and facilitating their access to venture capital.

- Financing with 0% equity and linked to specific milestones, to facilitate growth.
- Mentoring by Almirall executives and pharmaceutical industry experts in all specialties and phases of the programme.
- The opportunity to connect with investors and other key players through targeted events such as participation in investor days and technology and digital healthcare conferences all over the world.
- Digital pilot test bed with leading hospitals in Barcelona, with potential access to HCPs and patients.
- Collaboration in real Almirall projects (where applicable).
- Access to Almirall's communication and public relations network to promote their companies.
- Support in launching and pitching to investors with the aim of graduating to venture capital funding. The programme includes an investor day.
- Potential access to Almirall's datasets to build models based on real clinical data.
- Customised programme according to the needs of their companies.

As a result of this programme, the following partnerships emerged in 2020 and 2021:

- AI Derm: Cognitive Artificial Intelligence tool that enables healthcare professionals to diagnose, treat and monitor skin cancer. It provides recommendations and management through advanced analytics and deep learning within a multidimensional analysis adapted to precision medicine. It was founded by professionals from the Hospital Clinic of Barcelona.
- Ampersand: digital therapies that use behavioural and data science to improve patients' quality of life by providing them with educational, practical and personalised content in an appropriate and easy-to-understand form. DTx: for people living with long-term inflammatory diseases that enables patients to make better self-care decisions and find ways to live with their conditions.

- Legit: offers healthcare professionals a platform for patient management that includes AI diagnosis and treatment of 139 skin diseases. It uses technology to reduce the effort of healthcare professionals and automate many aspects of dermatological practice. It offers patients and clinicians the possibility of telematically, automatically and agilely monitoring changes in skin lesions that are often gradual and subtle, correlating various symptoms to identify triggers and assess treatment effectiveness.
- Patch AI: empathic conversational agent that collects patient outcomes and integrates data points from multiple devices to obtain information about the patient's state of health. Its mission is to improve people's quality of life and to help pharmaceutical companies offer safer, more affordable and personalised treatments. It is a stand-alone software application that is supplied in the form of a mobile application for ease of use by the patient.
- Tryl: first online platform and mobile app to apply consumer-level user experience (UX), behavioural science and real-time data to improve adherence, reduce dropouts and make clinical trials faster, more cost-effective and accurate.
- Vila Health: cloud application solution based on a conversational interface. It guides the user through short, targeted and highly interactive conversations that provide step-by-step professional guidance and support for the specific psychosocial challenges of living with a lifelong disease. Fun and playful interactions that become part of people's lives and build a journey towards mental wellbeing despite suffering from a physical illness.
- Haut.AI: B2B SaaS platform created by an Estonian team that offers a broad functionality of machine vision algorithms for skin care through a simple and ready-to-use API. Haut.AI recognises the characteristics of multiple conditions and diseases with machine learning algorithms trained on a database of over 1 million images. Haut.AI enables skin care and pharmaceutical customers to create digital products using the available AI.
- Derma2go.com: this innovative tool takes care of the needs of both patients and dermatologists. Patients fill out an online form at derma2go.com, upload photos of their skin problem and provide a description. The dermatologists access the form and provide a dermatological diagnosis within a few hours. Derma2go is intended to serve as a triage tool to reduce costs and waiting times for appointments in response to the shortage of dermatologists.
- Ancora: Intrepida(nalytics) has created a patient app that is the match.com of clinical trials. The tool leverages NLP to allow patients to directly access trial information in an easily searchable and targeted way, which helps trial sponsors recruit more diverse and suitable patients faster. Ancora also provides patients with educational resources on the trials and enriched information on potential matches. Ultimately, the tool democratises patient access to clinical trials, while helping drug developers to increase efficiency and maximise time on patent.
- UVisio: personalised digital solution for the prevention of skin reactions to the sun. It consists of a standalone wearable device and a mobile application for UV monitoring and self-analysis of the skin before and after UV exposure to determine personal sun sensitivity, give personalised advice and provide the information to the dermatologist.

In addition, a third edition is being prepared and the chosen candidates will be announced in 2022.

## 1.4. Sustainability and ESG

### 1.4.1. Context

In 2020, given its commitment to increasing its contribution to society, Almirall approved a new Sustainability/ESG strategy, continuing with the integration of environmental, social and ethical issues in the decision-making process. ESG (environmental, social and governance) criteria are present in Almirall's day-to-day activities and at all levels of the company, from the Board of Directors, its Commissions and the Management Board to its professional teams and including all its relationships with stakeholders.

This new sustainability strategy meets a number of objectives, of which the most important are to (i) maximise value creation for patients and various stakeholders, (ii) promote ethical behaviour by increasing corporate transparency and strengthening the company's reputation, and (iii) identify and mitigate any risks caused by the company's activities. Almirall's Chief Executive Officer is responsible for internal oversight of all sustainability-related activities and for establishing control and management measures, as well as for reviewing ESG initiatives and programmes, the internal committee for which reports directly to him. The Audit Committee and, in particular, its Chairman assume the functions related to oversight of all matters relating to sustainability and ESG.

In addition, integrity and transparency are fundamental pieces in the sustainability of the company and are integrated into all its processes and activities. In keeping with its commitment to transparency, Almirall gathers, builds and provides, clearly and consistently, factual, complete and accessible information to all its stakeholders in order to generate trust in the company and credibility. Furthermore, the company and all its European subsidiaries adhere to the Code of Practice of the European Federation of Pharmaceutical Industries and Associations (EFPIA),

as well as those of the corresponding local associations in the European countries where Almirall operates, such as Farmaindustria in Spain, always complying with the applicable legislation in force in each country. In this regard, the company publishes information on payments and value transfers to healthcare professionals or organisations for activities such as consultancy, meetings and advice, in accordance with the corresponding legal provisions.

#### 1.4.2. Sustainability Policy

In February 2020, Almirall's Board of Directors approved a modification of the Corporate Social Responsibility Policy (hereinafter CSR), renaming it the Sustainability Policy and assigning responsibility for internal oversight in this area to the Chief Executive Officer. In accordance with this approval, a new Corporate ESG Committee was formed in 2020, reporting to the Management Board, with the mission of managing and leading the plans, programmes, projects and initiatives related to the ESG strategy approved by the Board of Directors.

Almirall understands sustainability as a company's responsibility for its impact on society and the environment. To fulfil this responsibility, Almirall is committed to integrating ethical, social and environmental concerns into its business and operational strategy in close collaboration with its stakeholders in order to (i) maximise the creation of shared value for its shareholders and other stakeholders and for society in general; (ii) foster a culture of ethical conduct that increases corporate transparency; (iii) strengthen the company's reputation and external recognition, and (iv) identify, prevent and mitigate possible adverse effects caused by its activity.

In order to achieve the aforementioned objectives, Almirall adopts the following general principles:

- Align its conduct with the principles contained in the Code of Ethics and the other Corporate Governance Rules, which regulate the conduct expected of Almirall employees in the performance of their activities.
- Foster communication and dialogue with its main stakeholders through various communication channels, promoting relationships based on mutual trust.
- Promote transparency in the information released regarding Almirall's actions and activities, and adopt responsible communication practices to prevent manipulation of information and protect the integrity of Almirall's reputation.
- Proactively manage non-financial risks and opportunities arising from the markets and the context of business transactions.
- Ensure the creation of shared value for shareholders and other stakeholders over the long term.
- Reduce the environmental impact of its activities in the areas where it operates.
- Strictly comply with the applicable laws and regulations in the countries where it operates

#### 1.4.3. ESG strategy

In 2020, Almirall carried out a new internal and external ESG diagnosis, as well as a materiality analysis of the different aspects analysed, identifying which were the most important for the different stakeholders. The result of this exercise led to the formulation and confirmation by the Board of Directors, in July, of a new ESG Strategy.

The internal diagnosis was carried out through:

- i. review and assessment of all existing internal ESG documentation by a specialised consulting firm; and
- ii. direct consultation with Almirall's Senior Management through structured interviews.

In contrast, the external diagnosis was carried out through:

- i. benchmarking with leading companies in the sector and with companies similar to Almirall;
- ii. consultation of public information from different sectorial opinion leaders;
- iii. consultation of public information from different ESG opinion leaders; and
- iv. direct consultation through structured interviews with representatives of the most relevant stakeholders.

Thirty-nine ESG aspects were identified for evaluation, both internally and externally, and their prioritisation is reflected in the corresponding materiality matrix.

As a summary of the materiality analysis carried out, the following 22 aspects were identified as material: Research, development and innovation, Compliance and anti-corruption, Business model and strategy, Product quality, Employee health and safety, Corporate governance, Risk and opportunity management, Pharmacovigilance, Patient-centred care, Talent development and retention, Strategic alliances, Responsible supply chain, Employee well-being, Customer relations, Corporate information availability, Talent attraction, Financial performance, Product safety, Efficient energy management, Inclusion and diversity, Human rights, and Climate action.

In 2021, Almirall pushed forward the development and implementation of the ESG Strategy, which is structured through 15 working areas grouped into four top-level strategic lines, as shown below:



## Environment

- (1) Continue to develop the strategy for combating climate change.
- (2) Detail the calculation and improvement of the carbon footprint.
- (3) Increase energy efficiency management.

## Social

- (4) Increase the visibility of social actions by establishing a corporate framework.
- (5) Continue with deployment of the supplier risk management model.
- (6) Increase the detail of the patient engagement plan in alignment with the Noble Purpose.
- (7) Update and extend the equality and diversity programme to include all types of diversity.
- (8) Involve employees in social impact initiatives.
- (9) Develop a holistic approach to occupational health and safety through an employee wellness programme.

## Governance

- (10) Develop and implement an anti-corruption and anti-bribery policy.
- (11) Detailed revision of the Code of Ethics and the whistleblowing channels, extending them to all stakeholders.
- (12) Expand the extent and quantification of ESG risks, in the medium to long term, on the company's risk map.

## Management and communication

- (13) Extend the definition of the governance model, performance objectives and scorecard of the ESG Policy.
- (14) Expand adherence to external initiatives aligned with ESG priorities and evaluation by ESG indices.
- (15) Accelerate and improve internal and external communication on ESG.

The ESG Strategy, and its working areas and initiatives, are aligned with the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, as summarised below:

**Environment:** 3-Good health and well-being, 7-Affordable and clean energy, 13-Climate action.

**Social:** 3-Good health and well-being, 5-Gender equality, 8-Decent work and economic growth.

**Governance:** 3-Good health and well-being, 9-Reduced inequalities, 16-Peace, justice and strong institutions, 17-Partnerships for the goals.

**Management and communication:** 8-Decent work and economic growth, 16-Peace, justice and strong institutions, 17-Partnerships for the goals.

The remaining sections of this report detail information on achievements and progress in the different working areas of the ESG Strategy during 2021.

### 1.4.4. ESG assessments and ratings



In 2021, Almirall received the results of the Sustainability and ESG assessment carried out by EcoVadis in 2021, having obtained a score of 74/100, thus moving directly from the Silver Medal obtained in 2020 to the Platinum Medal, without going through the Gold Medal. In relation to the 2020 Sustainability and ESG assessment, in which Almirall obtained an overall score of 63/100, this year it has improved substantially in the 'Sustainable Procurement' dimension, having also improved in the 'Environment' and 'Labour & Human Rights' dimensions. In the 'Ethics' dimension, the same score has been maintained.

EcoVadis is a universal provider of sustainability and ESG ratings, having assessed over 85,000 companies in over 200 business sectors in more than 160 countries. With regard to the companies assessed by EcoVadis in the 'Manufacture of basic pharmaceutical products and pharmaceutical preparations' sector, it should be noted that Almirall is in the top 1% of the companies assessed.

Likewise, in 2021, Almirall's overall ESG management and performance was assessed and rated by other ESG rating agencies and entities. For example, Morningstar's Sustainalytics assessed Almirall's environmental, social and governance dimensions, giving it an ESG Risk Rating of 27.8, which corresponds to Medium Risk, placing Almirall in the 14th percentile (1st percentile = lowest risk) of the Pharmaceuticals business sector.

In addition to these overall ESG ratings, other specific ratings on specific aspects of ESG are detailed in this document, e.g., ISO 14001:2015 certification for environmental management, ISO 50001:2018 certification for energy management, ISO 45001:2018 certification for occupational health and safety management, 'Top Employer' certification, CDP rating on climate change, etc.

### 1.5. Risks and future trends

Almirall's Risk Management System is based on the existence of an annual Risk Map, which prioritises the most significant risks on the company's global risk map. This system, coordinated by Internal Auditing, is based on consolidation of the analysis and assessment of events, risks, controls and action plans to mitigate them, carried out by the business and support units that make up the different company areas. For risks related to taxation, there is also a Tax Committee for controlling, managing and minimising them.

Preparation and implementation of the Risk Management System is the responsibility of the company's Senior Management, and the function of overseeing its effectiveness is carried out by the Risk Management Board, which is functionally linked to the Audit Committee and the Chairman's Office, given that it refers directly to an essential responsibility of the Board of Directors itself.

The company operates in a sector characterised by great uncertainty about the outcome of R&D expenditures and in a highly competitive market in the therapeutic areas on which it is focused. The pharmaceutical industry is an industry subject to the decisions of health authorities for both approval of products and determination of marketing conditions, as well as being a highly regulated industry in terms of the environment and aspects related to pharmacovigilance, quality and codes of good practice in promotional activities.

These factors result in a nature of risks that are addressed by taking a conservative stance, being very selective in resource allocation and establishing very rigorous and effective processes and controls in operations.

All risks that could have a significant impact on the achievement of company objectives are assessed. Risk factors to which Almirall is subject include:

- Regulatory risks, arising from regulatory changes established by the various regulators, or from changes in social, environmental or tax regulations. Examples include price reductions or volume limitations for existing products and difficulties in obtaining requested prices or reimbursement conditions for new launches due to decisions by health authorities, with the concomitant impact on sales forecasts.
- Market risks, related to the exposure of Almirall's earnings and equity to changes in prices and other market variables, such as exchange rates, interest rates, commodity prices, financial asset prices and others.
- Credit risk, in the event that a counterparty does not comply with its contractual obligations and produces an economic or financial loss for the company.
- Business risks, established as the uncertainty as to the behaviour of the variables inherent to Almirall's business, such as the characteristics of demand, the supply of raw materials and the appearance of new products. Examples include revenue erosion and loss of market share due to the progressive entry of generics, deterioration of intangible assets due to a lower-than-expected net revenue stream in some businesses or an R&D pipeline that is not sufficiently balanced and differentiated in its different phases to nourish the product portfolio.
- Operational risks, referring to direct or indirect economic losses caused by inadequate internal processes, technological failures, human error or as a consequence of certain external events. Operational risks also include legal and fraud risks and ones associated with information technology and cybersecurity (cyber-attacks or security incidents that allow access to confidential information or disrupt business activities).
- Reputational risks, which include the potential negative impact associated with changes in the perception of Almirall by its different stakeholders.

The company also takes into account sustainability risks, including environmental, social and governance (ESG) risks, and pays close attention to those associated with climate change, human resources and talent recruitment, among others:

- Environmental risks: Almirall's environmental policy aims, among other things, to minimise the environmental impact of new products and developments, ensure compliance with applicable legal requirements and other principles to which the organisation subscribes, and apply pollution prevention techniques. Section 2, 'Environmental management', describes the main actions taken in relation to the environment.
- Risks to society: With respect to potential risks with social impact, Almirall's quality system covers the entire production process, from procurement of raw materials to the release of the finished product, in order to minimise the risk of releasing a product onto the market with compromised quality, efficacy or safety.

The company has a complaint control and pharmacovigilance system for rapid detection of possible problems of product quality, efficacy or safety and the adoption of corrective measures. In addition, product traceability control systems would enable a quick and effective recall of any batch of product from the market. Section 4.6, 'Quality Systems and Pharmacovigilance as tools to ensure product quality, health and consumer safety', discusses these aspects in greater detail.

Employee safety standards are more rigorous than required by law and thoroughly documented. Product liabilities and potential incidents at facilities are covered by global risk management policies and insurance programmes.

- Governance risk: The company has policies established for corporate social responsibility, communication with financial markets and compliance with good practices in tax matters.

In November 2020, the company's Board of Directors approved a Risk Management Policy that confirms the guidelines and framework for Almirall's entire risk management system. There were no significant changes in 2021.

In relation to the impact of COVID-19, as indicated in the Group's consolidated annual accounts, the pandemic situation is not expected to return to March 2020 levels, although the new variant of the virus (Omicron) is perpetuating the uncertainty due to its high levels of transmissibility and the impact it could have on the global economy. However, given the high level of vaccination combined with milder symptoms, no drastic measures are expected to affect the Group's operations. As early as 2020, the Group adopted various measures to make its working conditions more flexible and to digitalise processes in order to ensure the safety of its employees and to enable production, development and commercial activities to continue. These measures remain in force in 2021, in accordance with the legislation and recommendations of the administrations of each territory where the Group operates.

## 1.6. Prevention of and fight against money laundering

In pursuing its activities, Almirall is governed by a strong sense of corporate responsibility, integrity and transparency, as well as by strict and faithful compliance with current legislation.

For this reason, the company, in addition to the various policies approved by the Board of Directors and published on the Almirall corporate website, has a series of ethical principles and values that govern the actions of all its employees and executives. All these principles, values and conduct guidelines are reflected in Almirall's 'Code of Ethics' and in the 'Supplier Code of Conduct', and they are implemented in the company's Global Corporate Standards, contained in the Global Corporate Policies and its Standard Operating Procedures.

In October 2021, the Code of Ethics was updated to make it easier to use and more accessible to employees in all subsidiaries as well as to internal and external customers through the website.

Also in December 2021, a new internal whistleblowing channel, '*Speak up*', was launched to help Almirall employees work together to address potential bribery, corruption, fraud, abuse and other conduct not aligned with the Code of Ethics. It is a channel that has been implemented globally in more than 60 languages, and it can be used by all internal Almirall employees and external personnel who have access to the systems. The privacy of employee data in this whistleblowing channel has been guaranteed in accordance with EU guidelines.

This channel allows the communication of allegations anonymous or confidential, through a third party, which are managed and analyzed by Human Resources and Global Compliance & Privacy.

No allegations of corruption were reported during the 2021 financial year.

Almirall has Corporate Risk Control and Risk Management Policies with a threefold purpose:

- i. Prevent potential risks that may entail legal liability both for the company and its administrators, attorneys-in-fact and/or legal representatives;
- ii. Anticipate the management of such risks; and
- iii. Verify compliance with the corresponding regulatory framework applicable to the company, both internal and external.

Years ago, Almirall's Board of Directors approved a 'Criminal Risk Prevention and Management Model' which determines the system of organisation, prevention, management and control of the criminal risks of Almirall and its subsidiaries.

This 'Model' develops a plan for prevention of the commission of crimes by the company, and compiles the procedures and controls that currently exist for effective prevention and mitigation of criminal risks, based on a detailed analysis of those that could hypothetically arise in Almirall's different areas, taking into account, on the one hand, the policies and controls already in place, and on the other, the sensitivity to criminal risks detected in the specific processes, depending on the sector and the activities that Almirall engages in.



## 1.7. Control of contributions to foundations and non-profit entities

In 2021, Almirall made contributions totalling 1,518 thousand euros to various non-profit associations in the different geographical areas where the Group operates, including the following:

- International Federation of Pharmaceutical Manufacturers & Associations (IFPMA): in partnership with the global healthcare community, IFPMA promotes policies that encourage innovation, resilient regulatory systems and high quality standards; advocates ethical practices; and champions sustainable healthcare policies to meet the needs of patients and the healthcare system. In 2021, the Group contributed 332 thousand euros.
- European Federation of Pharmaceutical Industries and Associations (EFPIA): represents the biopharmaceutical industry operating in Europe. Through its direct members, 36 national associations, 39 leading pharmaceutical companies and a growing number of small and medium-sized enterprises (SMEs), EFPIA's mission is to create a collaborative environment that enables its members to innovate, discover, develop and deliver new therapies and vaccines for people across Europe, and to contribute to the European economy. In 2021, the Group contributed 287 thousand euros.
- Farmaindustria (Spain): is the National Business Association of the Pharmaceutical Industry established in Spain, and it represents the associated laboratories before society and its Public Administrations, collaborates with them, promotes the sector's commitment to R&D, conveys the reality of the pharmaceutical industry to the public and offers companies value-added services. In 2021, the Group contributed 147 thousand euros.
- Verband der Chemischen Industrie (Germany): The German Chemical Industry Association represents the economic policy interests of chemical and pharmaceutical companies in Germany. As the voice of industry-wide economic policy, the association discusses with other stakeholders, elected officials and authorities, the scientific community and non-governmental organisations the optimal design of framework conditions in Germany as an industrial location. In 2021, the Group contributed 211 thousand euros.
- Bundesverband der Arzneimittel-Hersteller (BAH, Germany): The German Association of Pharmaceutical Manufacturers (BAH) is the main trade organisation of the pharmaceutical industry in Germany. It represents the interests of some 400 member companies, which maintain around 80,000 jobs in Germany. In addition to drug manufacturers, BAH members are also pharmacists, lawyers, publishers and agencies, as well as market research and opinion institutions. BAH advocates safe and responsible self-medication through professional medical and pharmaceutical advice. It therefore strongly supports the legal protection of the incumbent pharmacy as the primary institution for distribution. In 2021, the Group contributed 133 thousand euros.
- Adelphe (France): is a non-profit state-owned company whose objective is to develop recycling of household packaging by businesses in France. Adelphe, which has been active in the wine and spirits sector for over 25 years, is also present in the bakery, food and beverage and pharmaceutical industries, and it enables its customers to fulfil their environmental responsibility. In 2021, the Group contributed 84 thousand euros.

## 2. Environmental management

### 2.1. Management approach

In addition, we are fully committed to promoting sustainable development, efficient management of natural resources and pollution prevention.

Achieving its goals is as important to the company as how this is accomplished. Accordingly, its commitment to society goes beyond offering scientific solutions to patients and compliance with environmental legislation and regulations. It is also based on developing its own environmental policy that guarantees the responsible use of resources, thereby working towards a more sustainable planet.

Almirall has a Global Corporate Prevention and Environment Policy, which establishes that one of the priority and strategic objectives that drive the daily activity of the organisation is occupational health and safety and environmental protection, which includes energy performance. To this end, the following basic principles, among others, are established:

- A commitment to environmental protection by promoting its integration into the company's daily work processes.
- Efficient and sustainable management of resources, use of renewable energies, and commitment to mitigating and adapting to climate change through programmes to reduce greenhouse gas emissions.
- A commitment to support the procurement of energy efficiency products and services that impact energy performance, as well as support for design activities that consider energy performance improvement.

- A commitment to continuous improvement of Almirall's environmental management to improve its performance, complying with the applicable legal requirements and other requirements to which Almirall voluntarily subscribes.
- Establishment of periodic programmes, with objectives and targets in line with the applicable regulations, with the Global Corporate Prevention and Environment Policy itself, and with the risks and opportunities identified in terms of environmental protection.
- Training, involvement and participation of Almirall's staff and partner companies in the application of the principles contained in the Global Corporate Prevention and Environment Policy.
- A commitment to consultation and participation of workers and, where they exist, workers' representatives.
- To ensure the availability of the necessary information and resources, and proper planning for their use.
- Respect for the environment is an objective of the company as a whole, and therefore responsibility for its achievement is shared by all Almirall's employees, regardless of their level or role.

Efforts in this area extend through the entire product life cycle, from design in R&D to manufacturing, and also encompass procurement of raw materials and the end of life of the product.

Almirall has an integrated occupational health and safety, environmental and energy management system. In 2019, Almirall successfully passed the TÜV Rheinland certification audit of the integrated management system, in accordance with international standards ISO 45001:2018, ISO 14001:2015 and ISO 50001:2018, at all its centres in Spain and Germany. In 2021, the second annual follow-up audit was carried out by TÜV Rheinland with the very positive result of 0 non-conformities according to ISO 14001:2015 (environmental management) and ISO 50001:2018 (energy management) standards.

Almirall has held ISO 14001 certification since 2004 and obtained the certification according to the most recent version of the standard (ISO 14001:2015) in 2018.

Likewise, in relation to energy management, after becoming, in 2013, one of the first pharmaceutical laboratories to obtain ISO 50001:2011 certification, in 2019 the system was adapted and certified in accordance with the new ISO 50001:2018 standard, revalidating the effectiveness of the system put in place.



The scope of the prevention and environmental management system, including energy performance, is as shown on the table below:

Country	Type of centre	Centre	Activity	ISO 45001	ISO 14001	ISO 50001
Spain	Offices	Headquarters	R&D activities, manufacture of active ingredients, manufacture and marketing of pharmaceutical specialities	X	X	X
		Sales network	Marketing of pharmaceutical specialities	X		
	R&D Centre	Sant Feliu	R&D activities	X	X	X
	Chemical Plant	Sant Celoni	Manufacture of active ingredients	X	X	X
	Chemical Plant	Sant Andreu	Manufacture of active ingredients	X	X	X
	Pharmaceutical Plant	Sant Andreu	Manufacture of pharmaceutical specialities	X	X	X
Germany	Mixed (Offices, Pharma, R&D, Sales)	Reinbek	Manufacture and marketing of pharmaceutical specialities	X	X	X

**Table 1 – Scope of the system for prevention and environmental management, including energy management**

Almirall has a series of established and implemented due diligence processes and procedures, which it continuously updates, to ensure that the prevention and environmental management system is appropriate, adequate and effective. The most relevant ones in relation to environmental management are listed below:

- Prevention and Environment Manual.
- Risks and opportunities in prevention and environment.

- Evaluation of environmental aspects.
- Energy review.
- Legal and other requirements.
- Training in prevention and environment.
- Communication, participation and consultation in prevention and environment.
- Management of prevention and environmental documentation.
- Change control in prevention and environment.
- Industrial safety in equipment and installations.
- Monitoring of work with special risks.
- Monitoring of suppliers of works and services.
- Monitoring of wastewater discharges.
- Monitoring of air emissions.
- Waste management.
- Monitoring of noise pollution.
- Road transport of hazardous goods.
- Emergency plans.
- Prevention and environmental audits.
- Management review of the prevention and environmental system.
- Incidents, non-conformities, opportunities for improvement and corrective actions.

At the corporate level, Almirall has an Environmental Team, which reports to the Head of Corporate Social Responsibility, who, in turn, reports to the Vice President of Human Resources. This team has two full-time staff members and is complemented in the different areas and work centres by the participation of other collaborators with specific functions assigned to environmental management on a part-time basis.

Almirall currently has a non-mandatory environmental risk insurance policy with a cover of 10 million euros.

Almirall was not subject to any fines or sanctions for non-compliance with environmental regulations in 2021.

This report excludes the data associated with the leased Almirall offices of the sales subsidiaries because they are not material (impact less than 5% in all environmental aspects).

## 2.2. European Taxonomy

The European Commission has established a specific classification system to identify environmentally sustainable economic activities, acting as an important facilitator to support sustainable investment and to implement the European Green Deal.

By providing appropriate definitions of economic activities that can be considered environmentally sustainable, it aims to create certainty and transparency for investors, protect private investors from greenwashing, help companies plan the transition, mitigate market fragmentation, and ultimately bridge the sustainable investment gap.

The European taxonomy established six environmental objectives to identify environmentally sustainable economic activities:

- i. Climate change mitigation
- ii. Adaptation to climate change
- iii. Sustainable use and protection of water and marine resources
- iv. Transition to a circular economy
- v. Pollution prevention and control
- vi. Protection and restoration of biodiversity and ecosystems.

An economic activity is defined as environmentally sustainable if it

- a. contributes substantially to at least one of the six environmental objectives;
- b. does not cause significant harm (DNSH) to the other five environmental objectives;
- c. complies with the minimum safeguards.

In July 2018, the European Commission set up a Technical Expert Group (TEG) on sustainable finance to develop recommendations on technical selection criteria for economic activities that can make a substantial contribution to climate change mitigation or adaptation while avoiding significant damage to the other four environmental objectives.

Based on input from the TEG and a wide range of stakeholders and institutions, the taxonomy regulation was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020 (Regulation (EU) 2020/852).

From January 2022, companies subject to the obligation to publish a non-financial disclosure (NDF) will be required to disclose the portion of their turnover, capital expenditure and recurring operating expenses that are classified as environmentally sustainable.

The taxonomy regulation also gives the European Commission the power to adopt delegated acts and acts to specify how competent authorities and market operators are to comply with the obligations arising from the regulation. The first delegated act on sustainable activities for climate change adaptation and mitigation objectives was published on 21 April 2021. For the other four environmental objectives, the Commission is expected to publish the respective delegated acts to enter into force in 2022. In addition, on 6 July 2021, the European Commission issued a delegated act (supplementing Article 8 of the taxonomy regulation) to indicate to companies subject to the non-financial disclosure directive how to report and to what extent their activities are in line with those considered environmentally sustainable.

Economic activities throughout the entire value chain were divided into the following three categories.

- **Eligible:** economic activity that fulfils both of the following conditions
  - i. has been explicitly included in the European taxonomy regulation because it contributes substantially to climate change mitigation or adaptation;
  - ii. meets the criteria set out in the European taxonomy regulation for the two environmental objectives.
- **Ineligible:** economic activity that fulfils both of the following conditions
  - i. has been explicitly included in the European taxonomy regulation because it contributes substantially to climate change mitigation or adaptation;
  - ii. does not meet the criteria set out in the European taxonomy regulation for the two environmental objectives.
- **Not covered:** economic activity that was not included in the European taxonomy regulation because it does not substantially contribute to climate change mitigation or adaptation, and therefore no specific technical criteria have been developed. The European Commission considers that this type of activity may not have a significant impact on climate change mitigation/adaptation or could be integrated into the European taxonomy regulation at a later stage.

Within this regulation, several critical sectors have been identified that need to be decarbonised in order to achieve the EU's climate targets by 2050 (as they account for more than 90% of direct greenhouse gas emissions in the EU), such as the energy sector, transport and water supply, among others. Almirall operates in the pharmaceutical sector that does not correspond to any of these sectors, so it does not have to report information on net turnover, but it does have to report information on CAPEX and OPEX KPIs. More specifically:

In relation to the CAPEX KPIs, investments in fixed assets that have been identified:

- They relate to assets or processes that are associated with eligible activities/aligned with the Taxonomy,
- They are part of a fixed asset investment plan to expand eligible activities/aligned with the Taxonomy,
- Related to the purchase of products from eligible/aligned activities.

In relation to the OPEX KPIs, those operating expenses that have been identified are:

- Related to assets or processes associated with eligible activities/aligned with the Taxonomy,
- Part of a plan to expand activities aligned with the Taxonomy or to convert eligible activities into aligned ones,
- Related to the purchase of products from eligible/aligned activities.

#### 2.2.1. Almirall's adoption of the European taxonomy

As mentioned in the previous section, Almirall does not form part of any of the eligible sectors included in the European regulation, so the scope of the analysis has been adapted to this circumstance. In general, we have identified those activities corresponding to climate change mitigation and adaptation on which the Group may have direct action (through its own operations) and indirect action (through the operations of its customers or suppliers, as well as, to a lesser extent, its employees).

In particular, the analysis focused on the investments and activities carried out at the Group's various work centres and production sites, as described to a large extent in the section 2 'Environmental management' of this report and in Note 30 of the Group's consolidated annual report. On the other hand, all activities derived from the Group's activity that meet the criteria for climate change mitigation in accordance with the European taxonomy regulation have been reviewed, and no activity related to climate change adaptation has been identified.

As a result of the analysis carried out by the Almirall's management, three eligible activities have been identified in accordance with the two environmental objectives approved to date:

- Road freight transport services
- Passenger transport by light vehicles, cars and motorbikes
- Electricity generation using photovoltaic solar technology

In terms of OPEX, the only expenses associated with the activities defined above are maintenance costs for the PV panels, which are not significant in the year ended 31 December 2021. For this reason, no OPEX KPIs are reported.

In terms of CAPEX, the Group considered the proportion of the investments associated with the aforementioned activities over the fiscal year's additions, either from Intangible assets (Note 9 of the consolidated annual report), assets by usage rights were considered in the calculation (Note 10 of the consolidated annual report) or Property, plant and equipment (Note 11 of the consolidated annual report). Taking this into account, 7% of the investments were generated by business activities that meet the climate change mitigation criteria.

## 2.3. Climate change and greenhouse gas emissions

In 2021, Almirall analysed its management of climate change and specifically its risks and opportunities against the standard recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD). The following sections summarise how Almirall aligns with the TCFD guidelines on climate change risk management and strategy according to its four areas: governance, strategy, risk management and metrics and targets.

### 2.3.1. Governance

The active role of corporate governance is key to advancing Almirall's climate strategy and fulfilling the company's responsibilities to all its stakeholders. Almirall has formally established the integration of sustainability and social responsibility principles into its strategic objectives, reflecting its strong commitment to leadership at both senior management and Board level.

The responsibilities of corporate governance in the area of sustainability, including climate change management, are detailed in 1.2 '**Corporate Governance**' of this report.

### 2.3.2. Strategy

In line with the TCFD recommendations, Almirall has analysed the climate risks and opportunities associated with its activities through a Climate Change Risk Analysis (CCRA) to assess the main risks and opportunities for the company, taking into account different time horizons and different climate scenarios.

This assessment consisted of a qualitative mapping (screening) to identify the risks and opportunities related to climate change that could affect Almirall's business.

The climate risk analysis focuses on two main risk categories according to the TCFD recommendations:

- Transition risks associated with the shift to a low-carbon economy, including regulatory, technological and reputational risks.
- Physical risks of climate change, which can be either severe events occurring in a short period of time (acute) or changes in long-term weather patterns (chronic).

The following time frames have been determined:

- Transition risks and opportunities: 2025-2030 as the short-medium term, 2040 as the long term. These time horizons are based on the fact that, in the current context, transition risks are more likely to have a significant impact on the company's business in the short to medium term.
- Physical risks: 2030 as the medium term, 2040 as the long term. These longer time horizons have been selected to assess climate-related inertia while maintaining a time horizon that is still relevant for Almirall in terms of both existing assets and future investments.

Almirall plans to conduct a quantitative risk analysis in 2022 (complementary to the qualitative one conducted in 2021) using the scenario analysis methodology. For physical scenarios, Almirall is considering the Representative Concentration Pathways (RCP) 4.5 and RCP 8.5 to explore our physical climate-related risks, i.e., flooding, water scarcity, extreme weather events, and a rise in temperature. In order to quantify the potential financial impact of transition risks, Almirall is considering adopting two scenarios: a base case scenario (i.e., SPS – Stated Policies Scenario, that implies a global climate warming between 2.7 °C and 3.3 °C and a low carbon scenario (i.e., SDS – Sustainable Development Scenario) that implies a climate warming between 1.65 °C and above 2 °C.



### Transition risks and opportunities



- **Policy and legal risks:** Almirall may be directly and indirectly exposed to risks related to the introduction of new or stricter carbon taxes and regulations related to energy production. Considering the importance of energy in the pharma production process, this issue might result in an increase of operating costs (e.g., fuel costs) for Almirall and its supply chain in the short and medium term.

- **Policy and legal opportunities:** As part of the process of building a decarbonisation strategy for the company, Almirall recognises the opportunity to optimise energy use in production process and in its R&D centres and offices by implementing energy efficiency actions, which may require the identification of innovative technological solutions.

The new regulations related to energy consumption and savings also represent an opportunity for Almirall to increase self-generation of renewable energy by reducing energy costs at its sites.

- **Market and technological risks:** The green transition to a low-carbon economy will affect the transport sector. This will require adaptation efforts by Almirall in the short and medium term. In particular, the company should implement decarbonisation strategies in the company's fleet and engage with suppliers to adopt more sustainable logistics and procurement practices and processes.



- **Reputational risks:** The inability to respond to enhanced reporting requests regarding climate change management, targets and KPIs (in particular from financial stakeholders) might affect the Group's reputation, in the short and medium-term, with consequences on sales and make access to capital more difficult.

- **Reputational opportunities:** Almirall is aware of the increasing pressures (e.g., from investors and shareholders) in relation to the company's sustainability performance, in particular its climate change performance, and recognises this as a long-term opportunity to reinforce its brand reputation by implementing actions to reduce its greenhouse gas emissions, enhancing the environmental protection culture of its employees.

### Physical risks



- The increase in the number of river floods as well as the increase in severity and duration of heavy rainfall events could cause disruptions in manufacturing and damage to production facilities. In addition, droughts could lead to water and energy shortages and increased costs for the purchase of water and raw materials at Almirall's facilities and its CMOs. The most critical region for Almirall's sites in terms of water stress risk is Spain. Specifically, for the towns of Barcelona and Sant Celoni, a worsening of the long-term scenario is expected.
- Finally, changes in temperature as a result of climate change may affect the production process and increase energy and water supply costs, both at Almirall's facilities and at its CMOs, in order to maintain adequate production conditions.

#### 2.3.3. Risk management

Almirall integrates climate change risks and opportunities into its corporate risk management process. Almirall is committed to identifying, assessing and monitoring risks and opportunities related to climate change, and has developed an integrated, multidisciplinary risk management process within the company.

#### Identification of risks and opportunities

Almirall's different business areas are responsible for identifying risks in aspects related to sustainability, including climate change, in their respective departments. This process is coordinated by the Director of Internal Audit. Risks and opportunities are identified based on internal interviews touching on all categories recommended by the TCFD: regulatory changes, market changes and technology developments and innovation, patients, changes in consumer behaviour towards more sustainable products, reputational damage and extreme physical events.

#### Prioritisation, financial implications and risk mitigation

Once risks have been identified, they are qualitatively assessed using a risk materiality matrix based on the likelihood of occurrence and severity of impact. This assessment measures both inherent risk and residual risk after risk mitigation plans (action plans) have been implemented. Almirall uses this methodology to select and prioritise the company's most material risks. Since 2020, the risk of climate change has been included in the above-mentioned group of significant risks. The Risk Management Committee is responsible for the supervision and control of the risk management system, as well as for the control and monitoring of the implementation of action plans to mitigate risk. This committee reports the relevant risks of the company through the Internal Audit Director to the Audit Committee and to the Board of Directors. The company's risk map is updated at least annually. The CEO and the members of the management committee are responsible for the execution and implementation of the annual risk map as well as the risk mitigation action plans.

Almirall plans to carry out a more in-depth assessment of the risks and opportunities of climate change by conducting a quantitative analysis in order to estimate the potential financial implications associated with Almirall's business.

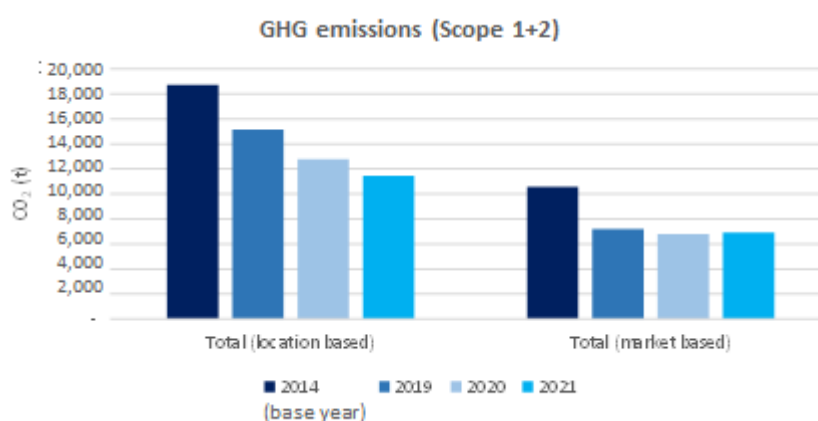
#### 2.3.4. Metrics and targets

##### Greenhouse gas emissions scope 1 and 2

Table 2 shows the evolution of GHG emissions for scope 1 and scope 2 according to the country's energy mix (location-based) and scope 2 taking into account the purchase of green energy (market-based), where emissions are zero thanks to the purchase of green electricity. A correction was made to the data for scope 1 with respect to the previous years to include the emissions associated with the vehicle fleet in that scope.

CO <sub>2</sub> (t)	2014 (base year)	2019	2020	2021
Scope 1	8,649	7,194	6,797	6,910
Scope 2 (market-based)	1,906	-	-	-
Scope 2 (location-based)	10,068	7,952	5,977	4,548
<b>Total 1+2 (location-based)</b>	<b>18,717</b>	<b>15,146</b>	<b>12,774</b>	<b>11,458</b>

Table 2 – Almirall's scope 1 and 2 GHG emissions



(\*) The origin of the emission factors used for the calculation of Scope 1 and 2 emissions is as follows:

- Gas Natural España: "Guía de càlcul d'emissions de gasos amb efecte hivernacle (GEH)" of June 2021, published by the OCCC (Oficina de Canvi Climàtic de Catalunya).
- Electricity location-based Spain: "Informe de Garantías y Etiquetado de la Electricidad" of April 2021, published by the CNMC (Comisión Nacional del Mercado y la Competencia)
- Natural Gas and Electricity location-based Germany: "Entwicklung der spezifischen Kohlendioxid-Emissionen des deutschen Strommix in den Jahren" of May 2021, published by OFMA (German Federal Office for the Environment).

##### Emission reduction targets

Almirall has set a target of a 21% reduction in greenhouse gas (GHG) emissions (scope 1 and 2 location-based) for the 2014-2025 period. This target was based on the company's Energy Master Plan included in the financial plan (investments) and will be reached by reducing gas and electricity consumption with energy efficiency projects and the commitment to self-generation of renewable energy. As of January 2021, the target was met, and as of January 2022, the reduction in GHG emissions in the 2014-2021 period was 39%.

In 2021-2022, Almirall is working on defining a decarbonisation programme for the company that sets ambitious medium- and long-term targets aligned with the 1.5°C scenario, as well as the roadmap to follow to achieve the targets. The targets will include scopes 1, 2 and 3.

##### Scope 3 greenhouse gas emissions

A preliminary assessment of indirect emissions of scope 3 from 2017 indirect emissions was conducted in 2018 to identify the main categories in scope 3. The tool used for the assessment was Quantis Suite 2.0., a tool whose calculation method is based on the expenditure incurred in each of the categories. The total emissions of scope 3 calculated for the emissions corresponding to the year 2017 were nearly 10 times greater than the sum of scope 1 and 2, with category 1 standing out with 81% of the total emissions calculated, as shown in Table 2.1.

In 2021, tools were developed to calculate categories 4, 5, 6 and 9 in accordance with the GHG Protocol but using a methodology that makes it possible to evaluate the progress of emission in the company. Specifically for transport, distribution and business trips, the calculation method is based on the distance (categories 4, 6 and 9), and for wastes, the method is based on specific factors for waste management (category 5).

The following limits must be considered in the result of the GHG Scope 3 emissions for the year 2021:

- Category 4 and 9: The calculation includes emissions associated with the transportation of raw materials used in the manufacture of Almirall's products from suppliers' production facilities to Almirall's CMOs.

It also includes the transportation of Almirall's products from Almirall's production centers or CMO's to the main logistics centers in the countries where Almirall does business or to its partners. The capillary distribution of its products in Spain from its logistics centers to pharmacies and hospitals is included in the calculation, but capillary distribution from the logistics centers of its commercial subsidiaries outside Spain is excluded due to the current lack of information. This category also includes emissions associated with the transportation of samples.

- Category 5: The calculation includes emissions associated with the management and transportation of waste and wastewater treatment from Almirall Spain and German centers.

- Category 6: The calculation includes emissions from air travel, train and hotel nights of Almirall with the exception of the commercial subsidiaries in Italy, Poland and USA. Also included are emissions associated with internal mileage in Spain for the employee's vehicle.

Scope 3 - CO <sub>2</sub> (t) Categories			2017	2021
Scope 3 Emissions Upstream	1	Purchased goods and services	125,504	Expected calculation during 2022.
	2	Capital goods	12,168	Expected calculation during 2022.
	3	Fuel and energy-related activities (not included in scope 1 or scope 2)	3,620	1,663
	4	Upstream transportation and distribution	3,370	2,181
	5	Waste generated in operations	2,794	238
	6	Business travel	2,548	325
	7	Employee commuting	2,975	Expected calculation during 2022.
	8	Upstream leased assets	2,188	Not applicable
Scope 3 Downstream Emissions	9	Downstream transportation and distribution	Distribution of Almirall products is included in the calculation of category 4.	
	10	Processing of sold products	The tool does not allow this calculation. In any case, it is considered insignificant. Expected calculation during 2022.	
	11	Use of sold products	No emissions are identified from use of the products sold by Almirall.	
	12	End-of-life treatment of sold products	This category has not been calculated due to the limitations of the software used. Calculation in progress.	
	13	Downstream leased assets	Not applicable	
	14	Franchises	Not applicable	
	15	Investments	Not applicable	
<b>TOTAL</b>			<b>155,167</b>	<b>Expected calculation during 2022</b>

(\*\*) The origin of the emission factors used for the calculation of Scope 3 emissions in 2021 is as follows:

- Category 3 Fuel and energy related activities: "Study on actual GHG data for diesel, petrol, kerosene and natural gas" of July 2015, published by Directorate General for Energy of the European Commission (DG ENER).
- Category 4, 9 and 6 Upstream and downstream transport and business travel: "Greenhouse gas reporting: conversion factors 2021" published in June 2021 by the UK Government's Department for Business, Energy & Industrial Strategy.
- Category 5 Waste generated in operations: "Greenhouse gas reporting: conversion factors 2021" published in June 2021 by the UK Government's Department for Business, Energy & Industrial Strategy, and other specific waste factors.

**Table 2.1 – Almirall's scope 3 GHG emissions**

In relation to categories 1 'Purchased goods and services' and 2 'Capital goods', since 2020, new Almirall suppliers have had to adhere to the Almirall Supplier Code of Conduct during the qualification process on the Group's



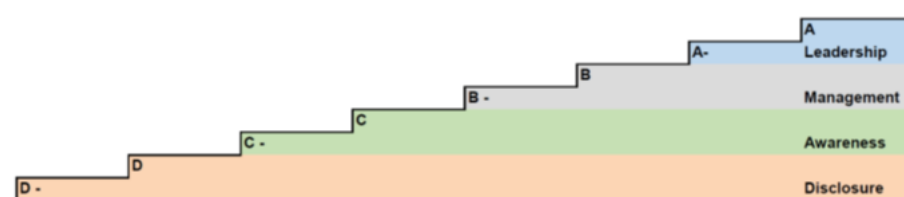
electronic portal. Almirall expects its suppliers to agree to defined standards, which include suppliers progressively measuring their greenhouse gas emissions and committing to voluntary reductions.

### **Mobility of workers**

In order to reduce CO<sub>2</sub> emissions and ensure the safety of employees in their commutes to work, since 2015 Almirall has been developing a sustainable mobility plan which, among other initiatives, includes public transportation in the flexible compensation plan for employees, subsidies for the purchase of hybrid and electric vehicles, training in sustainable driving, installation of electric chargers in its car parks, and the creation of parking areas for bicycles and electric scooters, among others. Currently all the industrial centres, R&D in Sant Feliu and the main offices have parking spaces for charging electric vehicles, which promotes their use.

### **2.3.5. CDP Disclosure**

As an exercise in transparency, since 2014, Almirall has reported its environmental performance on climate change to CDP. CDP evaluates climate change performance through a form and classifies it into four levels, from the most basic Disclosure D to the highest Leadership A level. Each level is also broken down into two sub-levels, with a '-' indicating the lowest category (as shown in the following image):



In 2021, Almirall achieved a B rating in Management. Compared to the previous year, the rating was downgraded by one tier from A- in 2020. Of the dimensions assessed by CDP for the final rating, Almirall's management in 'Governance', 'Energy' and 'Risk Management Processes' stand out at the Leadership level, and the dimensions with the most opportunities for improvement are 'Targets', 'Scope 3 Emissions' and 'Emission Reduction Initiatives'. Almirall is working on the definition of new ambitious greenhouse gas reduction targets for the medium and long term, as well as on the TCFD recommendations as described in section 2.3.3.

Almirall	2014	...	2018	2019	2020	2021
CDP score	60 D		C	B	A	B

**Table 3 – Evolution of Almirall's CDP score**

## **2.4. Air, noise and light pollution**

### **2.4.1. Volatile Organic Compound Emissions (VOCs)**

At Almirall, the most significant impact on air pollution is the diffuse emission of volatile organic compounds (VOCs) from its industrial sites. Almirall has been working for over 15 years to reduce these emissions through plans to eliminate the use of solvents in all industrial processes, where possible, with special attention to potentially harmful solvents, and the installation of technologies to mitigate the emission of these compounds.

Since 2007, eight production processes have been modified in order to reduce solvent consumption during manufacturing, including reducing the use of methylene chloride, a solvent with a H351 hazard label. Some of the processes are currently pending regulatory approval in several countries.

The diffuse emissions table shows a 62% reduction in diffuse solvent emissions since 2008. Emissions compared to the previous year have increased. However, it is considered that emissions have not increased in a real way, but rather that the documentary record in the chemical plants that justifies the solvent balance has worsened.

Diffuse emissions (t)	2008	...	2019	2020	2021
VOCs	207.5		40.0	41.6	79.2

### **2.4.2. SO<sub>x</sub>, NO<sub>x</sub> and Particulate Emissions**

The remaining emissions of air pollutants (particles, NO<sub>x</sub>, SO<sub>x</sub> and hydrochloric acid) are considered non-material for Almirall, as emissions are well below the legal limits.

Specifically, no SO<sub>x</sub> emissions are produced in any Almirall process.

NOx emissions are only produced in the boiler combustion processes of the different centres and in the regenerative thermal oxidiser for the treatment of VOCs. In the 2018-20 period, new boilers were installed at the Sant Andreu pharmaceutical plant and the Sant Celoni chemical plant, replacing the previous ones with technology that certifies NOx emissions of less than 100 mg/Nm<sup>3</sup>.

Emission sources with potential particulate emissions are equipped with high-efficiency HEPA filters, aqueous scrubbers or both systems in combination to abate emissions.

Potential hydrochloric acid emissions are abated with a basic aqueous rinsing system.

#### 2.4.3. Noise and light pollution

Almirall's centres are located in industrial or urban areas, so noise and light pollution impacts are considered non-material aspects.

## 2.5. Sustainable use of resources

### 2.5.1. Power consumption

Energy efficiency is part of the company's environmental strategy. By 2013, Almirall was already a pioneer in the chemical-pharmaceutical industry for having implemented and certified its energy management system in accordance with the international standard ISO 50001:2011. In 2019, it adapted to the revision of the ISO50001:2018 standard.

Compared to 2011, Almirall has achieved a 25% reduction in its total energy consumption. This has been possible thanks to the energy improvement actions carried out to improve energy performance and committed to seeking energy efficiency solutions to contribute to climate change mitigation.

Almirall's energy efficiency model is based on an iterative search for projects and new technologies, which have been applied progressively according to the needs of each of the centres.

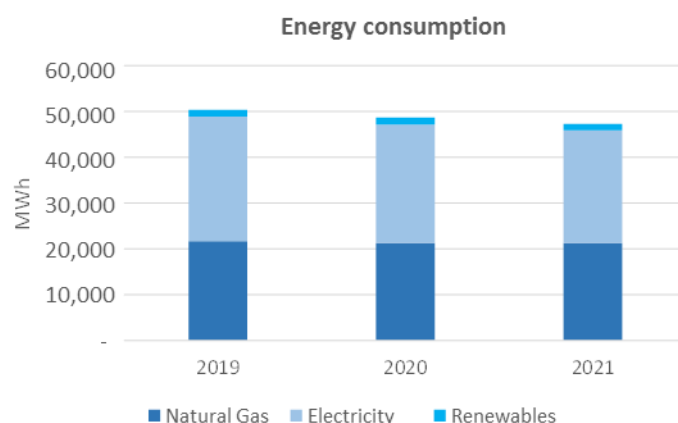
Accordingly, the company has successfully implemented the latest technologies, such as magnetic levitation and humidification by high-pressure water misting, which make it possible to reduce energy consumption in compressors of refrigeration equipment and in traditional resistance vaporisation and/or electrolysis systems, respectively, or photovoltaic panels for the self-generation of renewable electricity. Since 2011, more than 193 energy efficiency actions have been implemented.

#### ***Energy consumption and reduction targets***

Almirall's main sources of energy consumption are electricity (55%) and gas (45%). In relation to electricity consumption, Almirall is committed not only to the purchase of green energy with Guarantee of Origin but also to self-generation of renewable energy. With these installations, in 2021 the dependence on the company's electricity grid supply was reduced by 1,437 MWh, 5.5% of Almirall's electricity consumption.

Energy consumption for electricity in 2021 was down 5% from the previous year, 2020, which represents a reduction of 1,299 MWh compared to 2020.

Energy consumption (MWh)	2019	2020	2021
Natural gas	21,741	21,315	21,318
Utility-supplied electricity	27,142	25,859	24,560
Renewable electricity produced	1,505	1,524	1,437
<b>Total energy</b>	<b>50,388</b>	<b>48,698</b>	<b>47,315</b>
% renewable energy	57%	56%	55%



**Table 4 – Almirall's energy consumption**

#### 2.5.2. Water consumption and wastewater discharges

At production centres, industrial processes are designed to comply with Good Manufacturing Practices (GMP) and contribute to minimising water consumption.

Since 2019, there has been a downward trend in company water extraction. In the period 2019-21, consumption of both well water and company water has decreased by a total percentage of 19%. The main decrease has occurred at the Sant Andreu pharmaceutical plant, with a decrease of approximately 14,000 m<sup>3</sup> over a two-year period partly due to a leak in a buried pipe in 2019-20. It should be noted that the main consumption of well water is at the Sant Andreu centre where, since 2017, the centre's water resources have been used to produce industrial water. Taking into account the water cycle, local extraction from wells is considered to be environmentally more efficient even if it increases extraction, as water treatment is specific to the end use and it avoids water transport and additional treatment.

Table 5 details water extraction at Almirall according to the source of supply:

Water extraction (m <sup>3</sup> )	2019	2020	2021
Utility-supplied water	77,141	70,917	62,208
Well water	65,811	57,912	58,368
<b>Total Water Extraction</b>	<b>142,952</b>	<b>128,829</b>	<b>120,576</b>

**Table 5 – Water extraction at Almirall**

#### Water reuse

Since 2020, several water reuse actions have been implemented at Almirall's centres. Specifically, at the Sant Andreu pharmaceutical plant, the rejection from the osmosis treatment is reused in the production of purified water that is introduced into the industrial water production circuit. An estimated 6,333 m<sup>3</sup> of reject water can be reused. The Sant Feliu R&D centre also reuses the reject water from the osmosis treatment for the production of purified water for irrigation and fire-fighting, with an estimated saving of 1,300 m<sup>3</sup> per year. In total, a reuse rate of 6% is estimated. The ratio has been reduced with respect to the previous year due to the reduction in the consumption of domestic water.

Water reuse rate (%)	2019	2020	2021
Water reused/Total water extraction	-	9%	6%

**Table 5.1 – Water reuse rate at Almirall**

#### Actions for improvement

In 2021, an action to reduce the use of irrigation water by 37% was implemented at the Sant Andreu de la Barca pharmaceutical plant due to the reduction of grass in the landscaped area. Thanks to the well meter installed in 2020, this reduction in well water consumption for watering has been confirmed.

In 2021, new internal control meters will also be installed at the Sant Celoni chemical plant.

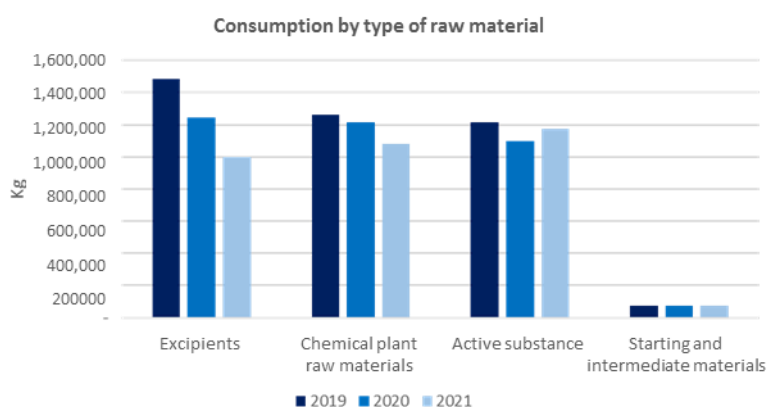
### Wastewater discharges

Reducing the flow and pollutant load of liquid discharges entails acting on the pollutants generated in the processes themselves. Accordingly, Almirall's operating centres have wastewater treatment facilities, and the chemical plants in particular have physical-chemical and biological wastewater treatment plants. At all its centres, the average of the parameters is, at least, below 70% of the legal limit.

### 2.5.3. Consumption of starting materials

For information purposes, the 2019, 2020 and 2021 consumption in physical unit (kgs) of raw materials is shown below:

Type of raw material (kg)	2019	2020	2021
Excipients	1,484,673	1,246,807	995,734
Chemical plant raw materials	1,263,604	1,214,070	1,081,100
Active substance	1,212,566	1,096,436	1,173,270
Starting and intermediate materials	74,460	72,363	71,899
<b>Total</b>	<b>4,035,303</b>	<b>3,629,676</b>	<b>3,322,003</b>



## 2.6. Waste management, eco-design and biodiversity

### 2.6.1. Waste management

Almirall manages its waste responsibly, prioritising minimisation and the most sustainable and safe treatment for each type. In the following tables, waste is broken down by type (hazardous/non-hazardous) and treatment (recoverable/non-recoverable).

Hazardous waste corresponds mainly to solvent waste at chemical plants, chemical waste and cleaning water at pharmaceutical plants, and laboratory waste at research and development centres. Non-hazardous waste consists basically of waste similar to urban waste and packaging waste from pharmaceutical plants. Recoverable waste is waste that can be recycled, reused, etc., and non-recoverable waste is waste that must be disposed of and/or eliminated.

Tables 6 to 8 show the evolution of waste for the 2019-2021 period for Almirall and the breakdown by country. A significant decrease of 21% in waste generated in Almirall should be noted. This was mainly due to the reduction of non-hazardous, non-recoverable waste in Germany resulting from the transfer of a production line to Spain, which substantially reduced the volume of waste generated by increasing the batch size and optimising waste water collection. This transfer was completed in 2019.

The volume of waste produced at Almirall has not been significantly affected by the COVID-19 pandemic, as most of it is generated at the Group's industrial centres and these have not modified their production activity, although there was a 4% decrease in total waste in 2021 compared to 2020 due to a slight reduction in production at the pharmaceutical centres and chemical plants.

Some environmental improvements in waste reduction that were reversed in 2020 due to the pandemic, for example the use of individual 0.5-litre water bottles in the cafeterias of the Almirall work centres in Spain instead of the fountains dispensing water in reusable glass bottles, are being reinstated gradually. Currently, the fountains are available for voluntary use for dispensing water in an individual glass as well as individual 0.5-litre plastic water bottles.

Total Almirall Group Waste (t)	2019	2020	2021
<b>Hazardous waste</b>	<b>2,412.1</b>	<b>2,191.7</b>	<b>1,955.9</b>
Recoverable	2,053.9	2,003.5	1,801.3
Non-recoverable	358.2	188.2	154.6
<b>Non-hazardous waste</b>	<b>4,431.6</b>	<b>3,419.3</b>	<b>3,434.2</b>
Recoverable	582.6	555.3	559.8
Non-recoverable	3,849.0	2,864.0	2,874.4
<b>Total waste</b>	<b>6,843.7</b>	<b>5,611.0</b>	<b>5,390.1</b>
<b>% Hazardous</b>	<b>35%</b>	<b>39%</b>	<b>36%</b>
<b>% Recoverable</b>	<b>39%</b>	<b>46%</b>	<b>44%</b>

**Table 6 – Almirall Group Waste**

Waste in Spain (t)	2019	2020	2021
<b>Hazardous waste</b>	<b>2,367.1</b>	<b>2,145.2</b>	<b>1,925.9</b>
Recoverable	2,030.9	1,981.9	1,782.6
Non-recoverable	336.2	163.3	143.3
<b>Non-hazardous waste</b>	<b>1,128.8</b>	<b>1,020.8</b>	<b>1,226.4</b>
Recoverable	426.2	440.6	414.8
Non-recoverable	702.6	580.2	811.6
<b>Total waste</b>	<b>3,495.9</b>	<b>3,166.0</b>	<b>3,152.3</b>
<b>% Hazardous</b>	<b>68%</b>	<b>68%</b>	<b>61%</b>
<b>% Recoverable</b>	<b>70%</b>	<b>77%</b>	<b>70%</b>

**Table 7 – Almirall Spain Waste**

Waste in Germany (t)	2019	2020	2021
<b>Hazardous waste</b>	<b>45.0</b>	<b>46.5</b>	<b>30.0</b>
Recoverable	23.0	21.6	18.7
Non-recoverable	22.0	24.9	11.3
<b>Non-hazardous waste</b>	<b>3,302.8</b>	<b>2,398.5</b>	<b>2,207.8</b>
Recoverable	156.4	114.7	145.0
Non-recoverable	3,146.4	2,283.8	2,062.8
<b>Total waste</b>	<b>3,347.8</b>	<b>2,445.0</b>	<b>2,237.8</b>
<b>% Hazardous</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>
<b>% Recoverable</b>	<b>5%</b>	<b>6%</b>	<b>7%</b>

**Table 8 – Almirall Germany Waste**

### **Actions for improvement**

As improvement actions, there were two noteworthy studies in 2021 for the treatment of production wastewater at the Sant Andreu de la Barca and Reinbek pharmaceutical plants aimed at minimising the volume of wastewater managed as waste and, in the specific case of Reinbek, also eliminating APIs (Active Pharmaceutical Ingredients) in wastewater.

At the Sant Andreu pharmaceutical plant, this study has not concluded with a definitive proposal, and in 2022 continuing with the definition of the optimal installation is planned. At the Reinbek pharmaceutical plant, a proposal for the facility is available and investment planned to be carried out in 2022-23 is available.

Also worth noting is the implementation in 2021 of the management of organic waste at the Almirall Spain centres with cafeteria service. The waste is sent to a composting plant (this management was already in place in Germany), thereby improving the final treatment channel from 'non-recoverable' to assimilable to 'recoverable'.

### **Management of users' medicine waste**

In Spain, Almirall adheres to the Integrated Packaging Management and Collection System (SIGRE in its Spanish acronym) in order to comply with Law 11/1997, of 24 April, on packaging and packaging waste and Royal Legislative Decree 782/1998, of 30 April, approving the Regulation for the development and implementation of Law 11/1997. In Germany, Almirall adheres to the Duale System Deutschland (DSD) in order to comply with the Packaging Ordinance (VerpackV) issued by the Federal Ministry for the Environment.

By including the SIGRE symbol on its packaging, Almirall guarantees that both the material of the containers and any leftover medicine they may contain are managed in an environmentally responsible manner, with the paper/cardboard and glass mainly recycled.

The packaging materials of Almirall's products in Spain and Germany are shown below: The two together account for 41% of Almirall's total units sold. In both markets, the material with the highest percentage is paper/cardboard, corresponding mainly to cases, with 48% of the total in Spain and 31% in Germany.

Packaging material in Spain (t)	2019	2020	2021
Glass	43.7	46.7	41.6
Paper/Cardboard	386.9	351.1	352.7
Aluminium	38.0	36.5	36.1
Plastic	56.4	49.0	62.5
Composite material	265.0	251.5	249.6
<b>Total materials</b>	<b>790.0</b>	<b>734.8</b>	<b>742.5</b>

**Table 9 – Almirall sales packaging material in Spain**

Packaging material in Germany (t)	2018	2019	2020
Glass	62.6	63.0	59.4
Paper/Cardboard	68.9	71.1	60.7
Aluminium	22.3	23.8	21.8
Plastic	42.7	43.0	38.8
Composite material	17.0	18.0	12.3
<b>Total materials</b>	<b>213.5</b>	<b>218.9</b>	<b>193.0</b>

**Table 10 – Almirall sales packaging material in Germany**

In all other countries, the specific regulations of the country are complied with.

#### 2.6.2. Eco-design

Almirall's corporate strategy identifies the need to integrate sustainability criteria in the design of its products from the R&D phases to the end of life of the product, including its manufacture and distribution. There are several projects that incorporate the concept of 'eco-design' into their development, as well as sustainable packaging in relation to Almirall's product packaging, with the aim of reducing the environmental impact.

In recent years, Almirall has worked continuously on various sustainable packaging projects. After years of initiatives, an interdisciplinary team has been formed within the company to develop and advance sustainable packaging policies and initiatives in a coordinated and cross-cutting manner. Specifically in 2021, the following actions stand out:

##### **a) Indicators**

Definition of environmental performance indicators relating to the packaging of the company's products. For this task, we have taken advantage of the licensing of the COMPASS® (Comparative Packaging Assessment) programme, which carries out the life cycle analysis associated with all the necessary materials and processes used in packaging, providing their environmental impact.

With this tool, the first indicator defined is the carbon footprint associated with the packaging. This analysis has been carried out for the company's Top20 products which account for 83% by volume, including products manufactured in the Contract Manufacturing Organisations (CMOs).

The emissions for 2020 as the base year for the calculation are 7,670 tonnes CO<sub>2</sub> eq., calculated by extrapolating to 100% of the products and excluding the impact of transport in the calculation.

##### **b) Sustainability improvement initiatives**

Some 18 initiatives have been identified and reviewed and assessed to be addressed in the short/medium or long term based on impact and implementation difficulty.

##### **c) Use of cardboard certified by the Forest Stewardship Council (FSC)**

The use of FSC-certified cardboard is being progressively implemented in the company. In 2021, all grouping crates at the Sant Andreu de la Barca and Reinbek production sites were FSC-certified.

In 2021, work was carried out on the documentation required for the use of FSC cardboard in the cases of the medicinal products manufactured at the Sant Andreu de la Barca centre. By the end of 2021, all the necessary documentation will be available for the regulatory change to be submitted to the AEMPS for 10% of all products manufactured in Sant Andreu de la Barca. The submission of the regulatory documentation is scheduled for early 2022, after which the changeover can be implemented once the existing stocks of cases have been used up.

#### ***d) Elimination of package leaflets in cosmetic specialties***

Another initiative being implemented is the elimination of package leaflets for cosmetic products that do not require patient information or when the information can be provided on the box itself.

### **2.6.3. Biodiversity**

With regard to Almirall's activity and its possible impact on biodiversity, all the industrial and research centres are located on industrial estates and no negative impacts on biodiversity have been determined.

The only centres located near natural areas are the Sant Feliu R&D centre 350 m from the Collserola Natural Park, which is included in the Barcelona Provincial Council's Natural Areas Network, and the Sant Celoni chemical plant located approximately 300 m from the area included in the Serres de Montnegre-el Corredor Natural Areas Plan (PEIN), which is also included in the Natura 2000 Network. With regard to the Sant Celoni chemical plant, in November 2021, as a requirement for the renewal of the Environmental Authorisation, an environmental impact study was carried out in which it was determined that no significant effect on biodiversity, protected areas or the Tordera River and its aquifers was foreseen, even under conditions of maximum production capacity. In addition, a water quality study of the Tordera River has been carried out annually since 2008 using macroinvertebrates upstream and downstream of the Almirall discharge. During the period 2008-2021 and in general, an increase in species richness and an increase in biotic indices has been detected.

In the event of an environmental emergency at any of Almirall's centres, there are self-protection plans with actions aimed at minimising the negative impact on people and the environment.

## **3. Employees**

### **3.1. The Almirall Culture**

Almirall is committed to its employees and their talent. All of them are key to the company's success, and it aims to attract and retain exceptional professionals aligned with the Noble Purpose and corporate values that underpin how we want to collaborate and be perceived by society.

It is also committed to the development of its employees and their professional growth within the organisation, which was demonstrated once again by the awarding of the prestigious Top Employers certificate in Spain, for the fourteenth consecutive year, in 2021.

The culture at Almirall is continually reinforced by its Noble Purpose, which puts patients at the centre of everything it does. The Noble Purpose not only inspires employees to do their best, it is also what gives meaning to their efforts and daily work. Personal testimonies and experiences from patients about how they live with their illness are shared with all employees on a regular basis. This regular awareness-raising activity with employees is the driving force behind new efforts to find solutions that help transform patients' lives.

Almirall works constantly to continue developing a working environment where employees feel they are an active part of a Noble Purpose and have a direct impact on society. In addition, so that they feel supported, recognised and empowered, and to give meaning to their daily work, their overall well-being is cared for.

For Almirall, values are a guide for all employees that enable them to achieve company objectives with the appropriate behaviours, and they signal how we want to be perceived by society. They are the lever for continuing to strengthen the company and for seeing how we want to collaborate and work, and thereby affirm an agile, collaborative, entrepreneurial and courageous culture.

Likewise, an effort is made to ensure that the corporate culture is based on the principles of compliance, continuous improvement and accountability. This conduct is underpinned by integrity, and everyone at Almirall is required to comply with the Code of Ethics.

Almirall has a highly qualified team made up of people of different nationalities and specialties, with a clear commitment to diversity. In 2020, the diagnoses of Almirall S.A., Industrias Farmacéuticas Almirall, S.A. and Ranke Química S.A. were signed for the new equality plan, which was presented in September 2020. The company has appointed an equality officer who will monitor all the positive actions proposed in the equality plan. The Legal



Representation of Employees has appointed an equality delegate for each work centre. Lastly, as part of the equality plan, the need to periodically review the protocol for sexual or gender-based harassment, as well as its functioning and content, has been established.

In addition, Almirall wants its employees to feel committed, and therefore different listening channels exist to find out their concerns and needs in order to adapt policies, programmes and processes to them. For this reason, Engagement and Culture surveys are conducted in order to proactively define and implement initiatives that reinforce their sense of belonging and willingness to contribute to Almirall's objectives and Noble Purpose.

Following the 2018 Engagement Survey, an action plan was defined and implemented. A year later, in 2019, the survey was repeated in order to measure the impact of the plan, with very positive results. The results showed an increase in the level of employee engagement of 12 percentage points. This increase was much higher than that obtained in a composite benchmark involving many companies from different industries, which showed that such an improvement in just one year was very difficult to achieve. Only 10% of the companies had achieved this. In 2020, the Engagement action plans had to adapt to the new situation caused by the COVID-19 pandemic by becoming more digital to be closer to the employee.

The year 2021 was key for relaunching the engagement actions plans, as well as for incorporating new initiatives that are key for evolution of the culture of Almirall. The most relevant initiative was an organisational culture survey where all Almirall employees were invited to provide their input regarding the shared beliefs that determine the way Almirall employees work, relate to each other and make decisions. The main objective of this exercise was to identify how Almirall is evolving in terms of culture and what other work areas need to be started to accelerate the cultural transformation that Almirall needs to support the strategic objectives and our Noble Purpose. 73% of the employees participated in the survey, a high level of participation that gives the company very useful and reliable information to work with.

In this sense, in order to further reinforce the strengths and address the areas for improvement detected in terms of organisational culture, an ambitious plan has been defined involving cross-cutting teams from different areas of the organisation. This roadmap is characterised by a holistic intervention and coordinated in the medium-long term which will impact the main pillars that affect an organisational culture – everything from the design of the organisation, governance and decision-making dynamics; the key processes that impact accountability and collaboration; as well the skills and capacities needed by the leaders and employees of today and of the future.

Internal communication is key for transmitting and fostering a culture based on the Noble Purpose and its values. The priorities for internal communication are:

- Business: Bring employees closer to the business so that they understand how they contribute to the Noble Purpose, and share with them the milestones of the different projects underway.
- People: Share all initiatives that have an impact on employees, these being initiatives that are focused by and for them.
- Foster spaces where all employees can learn, share and feel a sense of ownership.

Different channels exist for achieving these priorities. To relaunch the engagement action plans this year, a collaborative space was created under the brand 'Our best present is you'. The main objective of this space is to share and communicate in a very direct way the progress of the different plans and initiatives planned for this year. The space is structured in the five priority pillars for this year: 1) Purpose and Values, 2) Talent and Leadership, 3) Recognition, 4) Well-being, and 5) Diversity and Inclusion

In addition, this space was designed with the aim of launching challenges to Almirall's employees to make the different initiatives much more collaborative and attractive, where the participation of all Almirall employees is key to increasing the sense of belonging and commitment to the company.

Almirall is working to strengthen a culture of recognition. Through the various tools and processes that managers have at their disposal, it is ensured that recognition is present on a daily basis. In addition, the company integrates these awards with different corporate initiatives to give visibility to work done well while ensuring internal equity. In 2021, the Corporate Recognition and Rewards programme was reviewed, consolidating existing recognition initiatives and incorporating new ones, all aligned with Almirall's needs. The four initiatives that make up the Rewards and Recognition Programme are outlined below:

- **Purpose Awards:** the main objective of this award is to recognise teams that lead projects that have a clear focus on transforming the lives of our patients. This recognition initiative is one of the new initiatives introduced in 2021
- **Corporate Values Award:** the main objective is to recognise people who are role models for our values. They are people who inspire us to work the way we want to be perceived internally and externally.



- **Contribution Award:** the main objective is to recognise the people/teams that contributed in an exceptional way in a project or activity.
- **Bravo Programme:** this is a programme where all employees have the possibility to recognise their colleagues in a digital, easy and different way. This programme has been revamped with a new tool and process of use.

### ***Promoting health and well-being***

As one would expect in a company whose mission is to improve people's health and well-being, various initiatives have been implemented to promote employee health and create healthy working environments. This includes access to gyms and medical services in Almirall's facilities, as well as to restaurants and cafeterias with special menus. At the main workplaces, there is an onsite canteen that offers a variety of alternative menus to promote healthy nutrition.

Almirall has a Health and Well-being plan that impacts all its employees. In parallel, each geographic area where Almirall has offices also has local initiatives.

The Health and Well-being plan consists of three global initiatives:

#### **1) +YOUfeelfit Challenge:**

At the end of the 2019 financial year, the +YOUFEELFIT Challenge programme was launched to promote collaboration and team spirit, with all Almirall employees encouraged to participate. It was a global challenge, supported by a social web app where employees could voluntarily choose to walk, run, cycle or swim, individually or on teams, for a period of time. While practising these sports, employees accumulated Almirometers (the unit of measure of the challenge) which would be converted to money at the end of the challenge. The top performers were rewarded with attractive and sports-related prizes, and the money from the Almirometers were donated to NGOs. The organisations that received donations were: Acción Psoriasis, European Multiple Sclerosis Platform and American Academy of Dermatology. Interviews were conducted with each of them to inform Almirall employees about the impact of their sporting activity throughout the challenge.

In short, +YOUFEELFIT Challenge is one that increases all employees' commitment to the company by creating a culture of physical, emotional and nutritional well-being through a variety of activities.

The completion of the +YOUFEELFIT challenge was postponed until the COVID-19 pandemic situation stabilised. The challenge ended during the first quarter of 2021. Participation in +YOUFEELFIT Challenge was very high, as was the level of satisfaction, and it successfully generated a very strong commitment among all employees, resulting in new relationships between colleagues and teams, fostering healthy lifestyle habits and increasing positivity and work-life balance among employees.

Following the success of this initiative, a second edition was launched in October 2021. This edition includes the collaboration of new NGOs: Atopic Dermatitis Association (AADA), International Federation of Psoriasis Association (IFPA) and Skin Cancer Foundation (SCF).

#### **2) Health and well-being conference programme**

This year, a programme of conferences has been launched where the main objective is to share with the collaborator topics related to physical, nutritional and emotional well-being. Periodically, usually once a month, employees are invited to virtual conferences with experts from the world of health to provide them with tools to enhance their well-being. Participation in these sessions is very high, and the Almirall team's assessment of them is very positive. Everyone appreciates the effort and investment that Almirall puts into promoting the health of its employees.

#### **3) Sworkit**

In the wake of the pandemic, a mobile application was made available for employees to exercise at home. This application is still active for those employees who continue to use it and for those who, due to specific needs, cannot go to a gym. This application has many routines that can be chosen by each employee themselves, taking into account their own specific needs (for example: Pilates, strength-building exercises, family exercises, prenatal exercises, among many others).

### **3.2. Talent recruitment**

Almirall internalised the recruitment model by building a highly skilled team of recruiters who carry out the hiring process from start to finish, from the identification and attraction of passive candidates to the evaluation of candidates for the different positions. This proactive approach to recruiting ensures the existence of a pool of

talented candidates and helps simplify applicant tracking to make it possible to hire the best candidate for each position.

In order to increase the company's ability to attract talent, a Referral Programme has been developed. This programme allows employees to recommend their best contacts for Almirall vacancies. As an incentive, if a recommended candidate is ultimately hired, the employee who made the recommendation receives a financial reward. It is a good way of reaching candidates who fit the company's needs, in terms of both objectives and organisational culture. Moreover, having the employees themselves recommend the company as a good place to develop professionally is also a good letter of introduction that makes highly talented individuals interested in participating in the Group's hiring processes.

The hiring process is robust and consists of several steps according to the level of the organisation. These steps guarantee quality hiring that aligns with Almirall's corporate culture and values. And when it comes to evaluating candidates, there are three assessment levels: Basic, Silver and Gold, coordinated by the Global Talent Acquisition team:

- The Basic evaluation is used when hiring specialists and entry-level positions and consists of a personality test, a behavioural interview, a technical interview, a practical job-related test (optional in this case), and, lastly, a language test, plus a reference check.
- The Silver assessment is used when recruiting for mid-level positions and consists of a personality test, a behavioural interview, a case study or presentation on a specific topic, a role-play, a language test and a reference check. In this case, the case study is mandatory.
- Lastly, the Gold evaluation is used when hiring executive-level positions and consists of a behavioural interview, a case study or presentation on a specific topic, a role-play, an English test, a reference check and interviews with key stakeholders of the position. The case study enables assessment of competencies such as entrepreneurial vision, communication, influence, innovation and strategic vision. The role-play, on the other hand, makes it possible to evaluate leadership skills and results orientation, among other qualities.

### ***Internal employees are a priority***

When selecting candidates, meritocracy and cultural diversity are advocated in all hiring processes, as diversity and inclusion are part of Almirall's DNA. For example, there are employees of 26 different nationalities, which allows the company, among other things, to be more innovative and productive and to benefit from different points of view that ultimately impact business results.

Furthermore, Almirall firmly believes in giving employees the opportunity to progress in their careers within the company. Thus, when a new vacancy opens up, the existence of internal candidates who might be suitable for the position, relying on the Talent Review processes described below, is always taken into account before it is published externally. In this way, priority is given to employees so that they can enjoy a long career and professional development within the company.

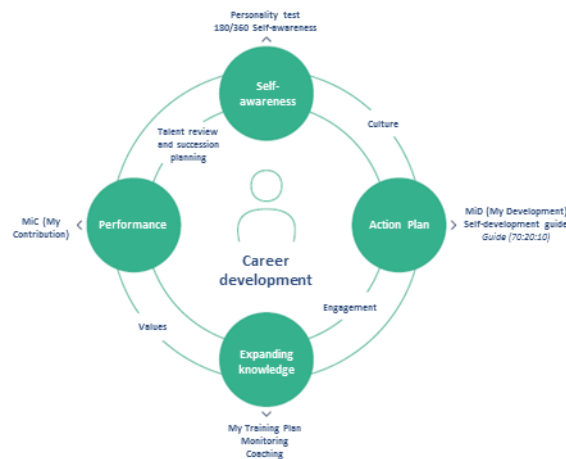
### **3.3. Training and talent development**

As seen above, Almirall's culture is based on corporate values and the Noble Purpose. This is why employee training and development play such an important role in daily operations, representing a strategic and priority focus in the company's corporate agenda. This strategy, as well as the resulting impacts on everyone's experience over the course of their employment at Almirall, accompany them as they develop their careers, help them to achieve success in their role, and allow them to absorb the corporate culture that is desired at Almirall.

The training offered at Almirall is a fundamental resource for ensuring that people are prepared and have the necessary tools and skills to give the best of themselves in the different areas of their professional field, generating a clear return on investment for the company.

Training and development at Almirall for years has been based on the learning model known as '70:20:10'. This model indicates that 70% of learning is experience-based, which is learned in the job on a daily basis. The 20% figure refers to interaction and learning with colleagues and/or participation in collaborative processes such as mentoring or shadowing. The remaining 10% of the learning process consists of structured, academic or traditional training, either face-to-face or in virtual format.

Employees are primarily responsible for their own development and growth. Thus, they are given access to a wide range of tools and programmes to facilitate their development experience at Almirall.



Self-knowledge is a key driver and the starting point of any development path. As a first step in the employee's professional growth, a self-development programme is provided that makes employees aware of their strengths and growth opportunities through tools such as 180/360 feedback and personality tests.

Once employees have a vision of what they need to strengthen and develop, they set their development goals in an individual action plan agreed with their Manager following the 70:20:10 model. Every employee has at their disposal a virtual 'Self-Development Guide' which offers advice and self-development content to help all employees define and monitor their own development action plan, known internally as MiD (MyDevelopment). MiD is a continuous development process that allows every employee to develop their strengths and opportunities for improvement in order to focus on learning proactively from the development actions defined.

The emphasis on continuous learning and development for career advancement and Almirall's success is essential for achieving the best results. For this reason, there is a performance evaluation process in the company that helps define the path required to achieve the employee's objectives. These objectives combine business needs and corporate values with strengths, and they represent a challenge for us as a team. Employees and managers hold frequent meetings over the course of the year, which are essential to reinforcing the culture of continuous feedback in the organisation.

Team members identify their training needs and share them with their managers in order to ensure that they are in alignment and then include them as development actions in their MiD.

The development and training model at Almirall has a clear aim: to foster a culture of continuous learning by providing a positive experience and prepare employees to be efficient in carrying out their tasks and achieving their objectives.

With these bases, Almirall's training and development strategy this year has been based on three fundamental pillars, which are described below.

### 3.3.1. The online/offline training plan

In February 2021, Almirall's Training Plan was announced to all company employees. The training plan aims to offer a variety of training courses to help prepare people for the different stages of their professional careers. This plan is directly aligned with Almirall's strategy and values.

Likewise, each employee also plays a very proactive role in adapting this plan to their own needs over the course of the year, as it serves to align the training offer with their individual development plans. As a first step in professional growth, and as mentioned above, Almirall offers a self-knowledge programme that makes each person aware of their strengths as well as their development opportunities.

This training plan is presented to the entire company in four categories to facilitate the search for training courses and to organise the offer. These categories are: Culture and Values, Business, Technological Tools and Languages.

- i. **Culture and values:** Training focused on developing Almirall's values and behaviours, including:
  - Capacity/skills building: The main purpose of this training is to develop critical skills to ensure the success of Almirall's results, such as Feedback, Change Management, Innovation, and Diversity Development and Inclusion. In this category, there is also training on how to make the most out of the My Contribution and My Development processes.

- Training in critical leadership skills: This leadership programme, known as 'Leadership Path', is based on five programmes adapted to the different career stages. Each training programme is aligned with personal competencies as well as technical business subjects. The base programme is attended by all employees who are individual contributors. This is followed by another specific programme for managers who need to develop the foundations of Almirall leadership, and a third programme aimed at managers who have been leading teams for a minimum of two years. Lastly, there are two programmes: one for senior leaders and another for key global talent identified in Almirall.

Leaders are essential in developing talent within their teams, while fostering internal talent and providing new opportunities for their teams to grow.



**ii. Business:** Training focused on developing technical skills.

- Functional specialisation training: Training focused on increasing the technical and specific skills necessary to fulfil the responsibilities in each of the functional areas of the company. This category contains specific training for finance specialists, product training for sales teams, as well as training related to scientific topics for R&D professionals, among many others.
- Technical training for non-experts: Training focused on broadening business knowledge for non-experts, such as Finance for Non-Financial Staff, Almirall Strategic Products and Project Management.
- Training on basic principles: Critical and essential training that all employees must undertake. Some of these topics also have a direct impact on Almirall's culture, such as training on the Code of Ethics, Information Security, Pharmacovigilance and Promotional Compliance.

**iii. Technological Tools:** Training focused on developing the necessary technological skills to be able to operate the new tools available with greater efficiency and agility. Some examples are: Microsoft basics such as Excel tips or Power BI training, as well as those for the Smartworkplace to support the Flexible WorkPlace project, which has been key to virtual meetings, which have increased substantially due to COVID-19. With this, training sessions have been introduced on key technology tools for today and the future, such as the Teams application and innovative Microsoft Office tools such as digital notebooks, OneDrive and online to-do list management.

**iv. Languages:** Training programme for developing the official Almirall languages (English, Spanish, German, Italian, French). This year, as a novelty, a greater flexibility has been implemented in terms of choosing the language of preference, in which the person can select the language they want to learn and develop through an easily accessible application with availability of a variety of updated content and conversation classes.

It should be noted that many of the training courses in the training plan are given by internal trainers. These are experts in their area of knowledge. Having internal trainers serves a threefold purpose:

- To develop internal trainers in critical and necessary skills for sharing their knowledge (presentation, listening, feedback, teaching and others).
- To recognise their knowledge and make it visible to the teams.
- To capitalise on internal knowledge and extend it to the rest of the employees, thereby increasing collaboration and synergies between teams.

### 3.3.2. Management of training during COVID-19

The overall management of the training area in response to COVID-19 deserves special mention. The training strategy had to be adapted to continue offering an efficient service in line with the objectives set at the beginning of the year. The following is a summary of the actions taken to meet the challenges created by COVID-19 in this area:

- Face-to-face trainings have been resumed but in an online live format. This encourages a sense of camaraderie between participants and immediate feedback with the training facilitators, in addition to maintaining a complete learning experience including pre-work and post-work. This implementation in training has also been successful in fostering networking between people from different affiliates.
- A new e-learning language training format has been implemented, available in more than five languages, through which participants can be trained from any device with up-to-date interactive material and flexible access times.
- Webinars with well-being training content on resilience, nutrition and emotional management tools have been delivered through our FeelFit Well-being programme.

In summary, through all the initiatives and training programmes implemented this year, we can highlight that despite the current pandemic situation in which we find ourselves, we have been able to provide solutions to all Almirall employees so that they can continue to develop themselves through training. On the other hand, some of the most relevant data of the comparison between 2020 and 2021 are highlighted below: a significant decrease in the number of training hours compared to 2020, an exceptional year in which the lockdown led a significant number of people to enhance their training development because they were unable to leave their homes. Likewise, the time commitment of many of the face-to-face training courses has been reduced as a result of the change to an online format. The average time spent on training has not changed significantly, as it is still above three hours of participation in training programmes.

Category	Gender	2020			2021		
		Participants	Hours	Average	Participants	Hours	Average
Directors	Women	27	340.5	12.6	145	362.2	2.5
	Men	87	271.5	3.1	159	501.4	3.2
Middle management	Women	385	1,388.4	3.6	442	1,735.0	3.9
	Men	643	1,988.1	3.1	364	1,281.3	3.5
Specialists/Technicians	Women	3,359	7,118.8	2.1	2,220	5,108.5	2.3
	Men	2,674	6,049.3	2.3	1,622	3,793.7	2.3
Administrative staff/Workers	Women	1,533	7,263.5	4.7	786	3,093.5	3.9
	Men	1,288	8,468.5	6.6	511	3,421.0	6.7
<b>Group Total</b>		<b>9,996</b>	<b>32,888.7</b>	<b>3.3</b>	<b>6,249</b>	<b>19,296.6</b>	<b>3.1</b>

### 3.3.3. The future of training - +YOUiversity

We are working on a strategic training project that will provide Almirall with a single platform from which employees will be able to consult all available training and take the courses on the same platform, which will also be collaborative and provide the opportunity to create learning communities. It will have cutting-edge technology (artificial intelligence) to identify courses according to development needs, roles and training previously completed by employees. This will further promote a culture of learning across the company, democratising training for all employees.

### 3.3.4. Talent Review and Succession Planning

In 2021, as every year, one of the most important processes for employee development and professional growth was carried out: the talent review and succession planning process whereby the following pillars are strategically analysed, department by department:

- Business challenges and organisational needs.
- Key positions and possible future successors (Succession Plan).
- Identification of employees with high potential (High Potentials) or who are essential to the company for their knowledge (Key Contributors), as well as emerging talent to continue developing as future high potentials in the organisation (Emerging Talent).

The goal of the Talent and Leadership Development strategy is to build a diverse, multi-skilled team to meet the challenges of creating optimal and innovative solutions for patients.

## 3.4. Remuneration, integration and equality

Almirall's compensation programmes pursue a culture of high performance, with compensation and benefit plans that are aligned with standard market practice and take into consideration the degree of contribution of the position and the performance of each employee. For this reason, Almirall regularly analyses the valuation of the different job positions, as well as the performance of each employee, in order to recognise the performance of each one of

them through the annual salary increase process. In addition, the various benefit programmes allow employees to tailor their compensation package to the specific needs of each individual and their families.

In 2021, work was done on a project aimed at building a global organisational structure for the company based on the value of the position as a solid base on which to unify the Compensation and Benefits strategy with certain key Human Resources processes. In 2022, the outcome of the project will be consolidated and communicated, and compensation policies will be adjusted to take this new structure into account.

This project for the correct valuation of jobs is in line with the new legislation in Spain (Royal Decree 902/2020) on equal pay for men and women and is further evidence of the company's commitment to equality. This commitment is also demonstrated in the Equality Plan that Almirall has had in place since 2009, updated in 2020, as well as in the appointment of an equality agent who will monitor all the positive actions proposed within it. The objectives of the plan include promoting and improving access to senior positions by women, as well as preventing discrimination in hiring and gender-based pay.

Below is a table with a breakdown of the total remuneration received in 2019, 2020 and 2021 in the Group, broken down by gender, category and age:

Category (€)	Gender	2019	2020	2021
Directors	Women	211,747	221,309	199,602
	Men	276,823	270,599	227,079
	Average	257,596	254,551	218,902
Middle management	Women	110,717	112,251	106,137
	Men	128,375	129,751	119,293
	Average	120,955	122,260	113,039
Specialists/Technicians	Women	66,925	66,418	62,730
	Men	71,842	70,695	66,931
	Average	69,119	68,301	64,591
Administrative staff/Workers	Women	40,060	40,846	41,684
	Men	36,467	37,041	37,950
	Average	38,561	39,122	40,024
<b>Group Total</b>	<b>Women</b>	<b>67,214</b>	<b>68,044</b>	<b>66,180</b>
	<b>Men</b>	<b>82,560</b>	<b>80,728</b>	<b>79,396</b>
	<b>Average</b>	<b>74,356</b>	<b>73,984</b>	<b>72,336</b>

Age (€)	Gender	2019	2020	2021
< 30	Women	44,994	40,794	50,692
	Men	47,981	42,259	39,667
	Average	46,359	41,580	45,770
30 - 50	Women	68,050	68,429	65,809
	Men	76,874	71,936	70,022
	Average	71,725	69,877	67,557
> 50	Women	70,371	71,681	69,672
	Men	94,896	96,467	94,135
	Average	83,763	84,969	82,787
<b>Group Total</b>	<b>Women</b>	<b>67,214</b>	<b>68,044</b>	<b>66,180</b>
	<b>Men</b>	<b>82,560</b>	<b>80,728</b>	<b>79,396</b>
	<b>Average</b>	<b>74,356</b>	<b>73,984</b>	<b>72,336</b>

At year-end 2021, Almirall's unadjusted pay gap (without taking into account job characteristics) averaged 83.4%, i.e., on average, women were paid 16.6% less than men in Total Compensation (Fixed Compensation + Short-Term Variable Compensation).

The calculation formula used was:

$$\text{Average Wage Gap} = \left(1 + \frac{\text{Average Female Wage} - \text{Average Male Wage}}{\text{Average Male Wage}}\right)$$



In terms of wages, the most representative statistical parameter is the median, and so the gap between the median wages of women and men has also been calculated. The formula used was:

$$\text{Median Wage Gap} = \left(1 + \frac{\text{Female Median Wage} - \text{Male Median Wage}}{\text{Male Median Wage}}\right)$$

In this case, overall, the gap is reduced by 57%, from 83.4% (average) to a gap of 93% (median).

On the other hand, the company's weighted pay gap, following the previous year's criteria of calculating this as the country-weighted ratio of the average target salary of women versus men in equivalent jobs whenever there is a minimum representation of one employee per gender, is 95.2%, while it was 94.8% in 2020 and 93.5% in 2019. Almirall reduced the weighted salary gap with respect to 2020 by 0.4%.

This improvement in the unadjusted gap, both the weighted and the average, is mainly due to the increase in women in the Management category (management/leadership positions), either by internal promotion or by hiring in 2021 (see section 3.7, 'Employment: headcount and distribution').

Lastly, in accordance with the new legislation in Spain (Royal Decree 902/2020) on equal pay for women and men, in the first quarter of 2022 Almirall has been working to calculate the adjusted gap broken down by positions of equal value (positions that are truly equivalent taking into account four valuation factors: contribution, context, requirements and scope). A tool (JET from OMD Consulting) is used to carry out this job evaluation, which offers an adequate, complete and objective evaluation. The valuations resulting from this project will be audited by an external and independent third party to ensure their objectivity and coherence, also providing a report justifying the application of the valuation factors to the positions (in accordance with Article 4 of Royal Decree 902/2020).

With this information, the average and median salary gap will be calculated for the groupings (levels) that are established according to the value of the positions. Subsequently, with econometric and statistical models, salary practices will be modelled in order to identify and quantify the factors responsible for the difference between men and women (organisational, cultural, labour market aspects, etc.) to thus rule out the existence of discriminatory factors in terms of remuneration. The result will be reflected in the adjusted pay gap. By mid-2022, this information will be shared in the salary register and in the equality plan that the company is updating for Spain.

The following table shows the average gross remuneration received in 2019, 2020 and 2021 by the members of the Board of Directors and members of the Management Board of the Almirall Group:

Body (€) <sup>(3)</sup>	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Board of Directors <sup>(1)</sup>	132,500	267,309	98,125	319,755	118,125	217,623
Management Board <sup>(2)</sup>	334,813	475,825	376,929	474,483	353,738	466,380

- 1) For the Board of Directors, all the remuneration associated with the position of each member plus the amounts associated with the committees of which they were members during the year are considered remuneration. The CEO is included in the company's board of directors (man).
- 2) The remuneration of the Management Committee includes the base salary received during the year, short-term incentives (STI) and long-term incentives (LTI) paid in March of the year and all salary supplements (seniority, school allowances, rental allowances, car allowances and other extraordinary bonuses). This does not include severance payments.
- 3) For the average gross remuneration received by the members of the Board of Directors and members of the Group's Management Board, the cash outflow accounting method has been used, unlike the accrual method, which is used in the Consolidated Financial Statements.

### 3.5. Work organisation

Almirall has working calendars that are applicable to all employees and compatible with the legislation in force in each country. The calendars are shared with the Legal Representation of Workers to try to align, as far as possible, the productive needs of the company with personal life. For easy consultation by all employees, the company makes the aforementioned calendars available for each year and posts them on the corporate Intranet in the month of December.

In addition to the legally stipulated annual leave, depending on the country, Almirall offers up to seven additional days off to be taken over the course of the calendar year. For a better adaptability to the needs of the employee, these additional rest days can be taken in up to four half days.

The company is committed to the well-being of its employees and, for this reason, with the aim of ensuring work-life balance, the work calendar includes a flexible work schedule, for both entering and leaving, which allows weekly working hours to be adapted to reconcile work and personal life.

In Spain, we offer a flexible scheduling system called Turn it Flex, which makes it possible to adapt the working day to the personal needs of each employee. For offices, it is possible to start the day at any time between 7:30 am and 9:30 am. The midday break can be from 30 minutes to one hour and a half, and the end of the work day can be between 4:15 pm and 8:00 pm. Expansion of the flexibility of the working day has allowed the majority of people who had reduced working hours to extend them, making it possible to balance work and family life. In the same way, employees who work shifts in the industrial area can change them on a rotating basis, with the possibility of morning, afternoon and night shifts. As for the industrial plants, there are rotating morning, afternoon and evening schedules, and annual leave and public holidays are pre-established in the calendar in order to ensure the pace of production.

In order to promote and encourage a more collaborative and innovative environment that allows for greater agility, efficiency and flexibility, a new model of office space has been defined. The Flexible Work Place project has been implemented in the Sant Andreu de la Barca offices and is currently being implemented in the headquarters building.

Gradually adapting to a 'new normal' brought about by COVID-19, the gradual return of staff to the workplace was promoted. During the first half of the year, physical presence in the centres was modulated according to the speed of contagion. Once stabilised, in June all staff whose duties allowed it had the possibility of working from home two days a week and, from 1 July, one day a week, always taking into account all the necessary measures to guarantee the health and safety of all employees.

As a continuation of this flexibility measure, from 1 November 2021, the possibility of teleworking one day a week remains in force regardless of the pandemic on an optional and voluntary basis.

### **3.6. Social relationships**

In relation to employee participation and consultation, Almirall not only scrupulously complies with the commitments acquired in the different negotiation frameworks in each territory (for example, in Spain, the 19th General Chemical Industry Agreement), but also goes one step further by promoting its continuous improvement system. This is done through committees within the organisation that address key issues in the company, such as benefits, equality, occupational health and safety, or any other issues that may affect the day-to-day work of company employees.

Almirall is committed to compliance with and adherence to legislation and labour practices in an environment of constructive dialogue and respect for social agents. Employees must comply with the rules of ethical conduct applicable to the pharmaceutical industry, in addition to the provisions of Almirall's Code of Ethics.

Almirall has legal workers' representatives at all its work centres. Due to the company's presence in several countries of the European Union, in 2019 the European Works Council was established, and in 2021 it held an annual meeting, at mid-year, where issues of common and cross-cutting interest for several countries were addressed. These included the status of production in the company's plants, news on R&D, updates on occupational health and safety, improvements and new developments in computer applications, latest acquisitions and the economic situation of the Group and anticipated headcounts by country, and the results of the culture survey. On the other hand, the company applies the state and labor legislation of each country in which it has employees, but also in Spain, Belgium, Italy and Austria, employees with labor contracts are also subject to the collective bargaining agreement. This group accounts for 69.51% of Almirall's personnel.

#### ***Benefit Committees***

In Spain, there are several monitoring committees for strategic issues within the organisation. These committees present, discuss and propose improvements and changes to be applied both in Spain and in the Group's subsidiaries, if applicable.

One of these is the benefits committee (which carries out an ongoing analysis of the social benefits provided by the company), which met this year to analyse the granting of school and special subsidies for the 2020-2021 academic year, as well as to review the life insurance policies offered by Almirall. It also reviewed current social benefits which, within the framework of the Collective Agreement signed in 2017, affect Almirall in Spain.

The benefits agreed to in this committee include a bonus for seniority in the company, rewarding multiples of five years after 10 years and up to 45 with the company. This year, Almirall extended the awards to 50 years of seniority, given that there are several people who will be celebrating their 50th anniversary between this year and next.

#### ***Record of Hours Worked***

As a result of the regulatory change published in Spain regarding the mandatory recording of hours worked, Almirall, after negotiation with the workers' representatives, agreed to a Working Hours Recording Regulation and developed and implemented a computerised recording tool that allows employees to consult the hours they have worked.

As a result, Almirall employees are better able to see the time invested in carrying out their activities, which allows them to improve the efficiency of their working time and enjoy greater autonomy.



### 3.7. Employment: headcount and distribution

At the close of the 2021 financial year, Almirall had a total of 1,784 employees, with 26 nationalities represented, 47% men and 53% women, an average length of employment of 13.5 years, 65% with a university degree and 70% experts on the pharmaceutical industry.

Almirall's employees are concentrated in Europe (94%) and the United States (6%). The distribution in professional categories is as follows: 2% directors, 15% middle management, 60% technical specialists and 23% administrative staff/workers.

The age distribution of Almirall's workforce is as follows: 55% of employees are over 31 and under 50, 7% are under 30, and 38% are over 50.

The distribution of employees by country, professional category, gender and age is detailed below.

Country	2019			2020			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Spain	625	565	1,190	624	574	1,198	611	565	1,176
Germany	167	120	287	169	127	296	165	130	295
United States	65	46	111	55	43	98	59	48	107
Italy	29	43	72	33	45	78	36	41	77
United Kingdom	17	18	35	18	16	34	19	12	31
Switzerland	9	8	17	11	8	19	11	7	18
Netherlands	9	4	13	9	2	11	7	3	10
Austria	6	5	11	10	5	15	8	6	14
Belgium	4	4	8	7	4	11	8	4	12
Nordic countries	4	3	7	-	3	3	-	1	1
Portugal	5	2	7	5	2	7	5	2	7
Poland	3	1	4	3	-	3	3	-	3
France	-	2	2	3	7	10	19	12	31
China	1	-	1	2	-	2	2	-	2
<b>Group Total</b>	<b>944</b>	<b>821</b>	<b>1,765</b>	<b>949</b>	<b>836</b>	<b>1,785</b>	<b>953</b>	<b>831</b>	<b>1,784</b>

(\*) CEO and chairman not included in the headcount

Professional category	2019			2020			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Directors	13	31	44	14	29	43	10	31	41
Middle management	108	149	257	113	150	263	121	145	266
Specialists/Technicians	587	472	1,059	595	471	1,066	597	475	1,072
Administrative staff/Workers	236	169	405	227	186	413	225	180	405
<b>Group Total</b>	<b>944</b>	<b>821</b>	<b>1,765</b>	<b>949</b>	<b>836</b>	<b>1,785</b>	<b>953</b>	<b>831</b>	<b>1,784</b>

(\*) CEO and chairman not included in the headcount

The presence of women in Almirall as a whole has been on an upward trend in recent years, with an 8% increase in the number of women in these positions over the last two years, particularly in the category of directors and middle management. This reflects Almirall's ongoing effort with respect to achieving gender-parity in the organisational pipeline.

Age	2019			2020			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< 30	63	53	116	58	62	120	69	56	125
30 - 50	594	424	1,018	585	417	1,002	570	406	976
> 50	287	344	631	306	357	663	314	369	683
<b>Group Total</b>	<b>944</b>	<b>821</b>	<b>1,765</b>	<b>949</b>	<b>836</b>	<b>1,785</b>	<b>953</b>	<b>831</b>	<b>1,784</b>

The most common type of hiring at Almirall is permanent/indefinite contracts, with an incidence of 98%.

The table below shows the distribution at year-end of permanent/indefinite or temporary contracts, broken down by gender.

Type of contract	2019			2020			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent	914	800	1,714	929	821	1,750	929	821	1,750
Temporary	30	21	51	20	15	35	24	10	34
<b>Group Total</b>	<b>944</b>	<b>821</b>	<b>1,765</b>	<b>949</b>	<b>836</b>	<b>1,785</b>	<b>953</b>	<b>831</b>	<b>1,784</b>

The breakdown of the average annual distribution of contracts by duration (indefinite/permanent or temporary) according to age, professional category and gender is as follows:

Age	Gender	2019		2020		2021	
		Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
< 30	Women	42	17	43	14	57	12
	Men	39	8	43	11	50	6
30 - 50	Women	576	17	567	12	559	11
	Men	409	8	409	6	403	3
> 50	Women	300	2	314	1	313	1
	Men	353	1	364	1	368	1
<b>Group Total</b>		<b>1,719</b>	<b>53</b>	<b>1,740</b>	<b>45</b>	<b>1,750</b>	<b>34</b>

Category	Gender	2019		2020		2021	
		Permanent	Temporary	Women	Men	Women	Men
Directors	Women	13	-	13	-	10	-
	Men	31	-	32	-	31	-
Middle management	Women	111	-	112	-	120	1
	Men	146	1	148	-	145	-
Specialists/Technicians	Women	563	23	574	16	581	16
	Men	465	8	459	10	467	8
Administrative staff/Workers	Women	231	12	224	11	218	7
	Men	159	9	178	8	178	2
<b>Group Total</b>		<b>1,719</b>	<b>53</b>	<b>1,740</b>	<b>45</b>	<b>1,750</b>	<b>34</b>

### 3.8. Layoffs by gender, age and occupational classification/country

The following involuntary severances at Almirall occurred during the 2019, 2020 and 2021 financial years. The following table shows the details of their classification by territory, gender, age and professional classification.

Professional category	2019			2020			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Directors	1	1	2	-	6	6	3	1	4
Middle management	8	7	15	6	7	13	4	9	13
Specialists/Technicians	16	18	34	29	14	43	26	12	38
Administrative staff/Workers	6	3	9	4	5	9	8	7	15
<b>Group Total</b>	<b>31</b>	<b>29</b>	<b>60</b>	<b>39</b>	<b>32</b>	<b>71</b>	<b>41</b>	<b>29</b>	<b>70</b>

Age	2019			2020			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< 30	-	2	2	1	3	4	4	3	7
30 - 50	19	14	33	21	17	38	17	10	27
> 50	12	13	25	17	12	29	20	16	36
<b>Group Total</b>	<b>31</b>	<b>29</b>	<b>60</b>	<b>39</b>	<b>32</b>	<b>71</b>	<b>41</b>	<b>29</b>	<b>70</b>

During the 2020 and 2021 years, the Group did not avail itself of any measures related to the suspension of contracts as a result of COVID-19 (ERTE - temporary layoffs, for example), as most of its activities continued to operate.

### 3.9. Access for people with disabilities

Almirall is highly committed to employing people with disabilities. At present, there are different collaboration agreements in effect with different special work centres/entities/foundations, and we also work proactively to promote and/or facilitate the hiring and integration of this group.

In accordance with the main general legal provisions in force intended to address the rights of people with disabilities, Almirall meets the compliance requirements through the reserve quotas established by law in each of the countries where it has a work centre, or through exception certificates and according to the different circumstances that arise in the Group's companies.

At Group level, Almirall employs the following group with an accredited degree of disability, together with the percentage over total Group employees:

	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2021 <sup>(1)</sup>
Total disabled employees	30	33	33
% over Group total	1.7%	1.8%	1.8%

(1) Information for USA not available due to data confidentiality regulations.

### 3.10. Absenteeism

The absenteeism data for the 2019, 2020 and 2021 financial years include both hours lost due to sickness and work-related accidents, as well as maternity and paternity leave. The breakdown by country is as follows. From 2021 onwards, we report data broken down by gender.

Total Absenteeism					
Country/Hours (*)	2019	2020	2021		
	Total	Total	Women	Men	Total
Spain	108,164	117,075	75,574	34,022	109,596
Germany	38,694	39,622	34,994	13,892	48,886
Italy	9,094	2,691	1,722	720	2,442
Austria	1,129	881	558	79	637
Switzerland	1,107	266	512	18	530
United Kingdom	927	1,318	961	61	1,022
Nordic countries	201	-	-	-	-
France	-	-	2,125	869	2,994
<b>Group Total</b>	<b>159,316</b>	<b>161,853</b>	<b>116,446</b>	<b>49,661</b>	<b>166,107</b>

Occupational Accident and Illness					
Country/Hours (*)	2019	2020	2021		
	Total	Total	Women	Men	Total
Spain	87,190	97,685	59,900	28,577	<b>88,477</b>
Germany	29,782	34,767	26,841	13,431	<b>40,272</b>
Italy	6,048	1,545	746	720	<b>1,466</b>
Austria	1,129	881	558	79	<b>637</b>
Switzerland	1,107	266	512	18	<b>530</b>
United Kingdom	115	697	628	61	<b>689</b>
Nordic countries	120	-			<b>-</b>
France	-	-	644	869	<b>1,513</b>
<b>Group Total</b>	<b>125,491</b>	<b>135,841</b>	<b>89,829</b>	<b>43,755</b>	<b>133,584</b>

(\*) Absence hours are not reported in the USA since local legislation does not allow them to be recorded.

### 3.11. Health and safety

#### 3.11.1. Management approach

The prevention and environmental management system is formally implemented and certified at the centres and with the activities indicated above in section 2.1 of this report. At international subsidiaries beyond the scope of this certified system, occupational health and safety is managed locally, in accordance with the legal requirements applicable in each case.

At the corporate level, Almirall has a Health and Safety Team, which reports to the Head of Corporate Social Responsibility, who, in turn, reports to the Vice President of Human Resources. This team has three full-time staff members and is complemented in the different areas and work centres by the participation of other employees with specific functions assigned to management of occupational safety on a part-time basis.

Almirall has a Global Corporate Prevention and Environment Policy, which establishes that one of the priority and strategic objectives that drive the daily activity of the organisation is occupational health and safety. To this end, the following basic principles, among others, are established:

- A commitment to the safety, health and well-being of employees, promoting integration of the same into the Company's daily work processes.
- A commitment to eliminating hazards and reducing risks to occupational health and safety.
- A commitment to continuous improvement of occupational health and safety management at Almirall in order to improve its performance, in compliance with the applicable legal requirements and other requirements to which Almirall voluntarily subscribes.
- Establishment of periodic programmes, with objectives and targets in accordance with the applicable regulations, the Global Corporate Prevention and Environment Policy itself and the risks and opportunities identified in the area of occupational health and safety.
- Training, involvement and participation of Almirall's staff and partner companies in the application of the principles contained in the Global Corporate Prevention and Environment Policy.
- A commitment to consultation and participation of workers and, where they exist, workers' representatives.
- To ensure the availability of the necessary information and resources, and proper planning for their use.

Occupational health and safety is an objective of the Company as a whole, and therefore responsibility for achieving it is shared by all Almirall's employees, regardless of their level or role.

As mentioned in section 2.1 of this report, Almirall has an integrated occupational health and safety, environmental and energy management system. Almirall was one of the first companies, in general, and one of the first chemical-pharmaceutical laboratories, in particular, to obtain certification of its system according to the new ISO 45001:2018 standard (which replaces the previous OHSAS 18001:2007, for which it has held certification since 2007). This certification is currently held by Almirall's operating centres in both Spain and in Germany.

Table 1 in section 2.1 'Management approach' of this report indicates the scope of the prevention and environmental management system.

Almirall has a series of established and implemented due diligence processes and procedures, which it continuously updates, to ensure that the prevention and environmental management system is appropriate, adequate and effective. The following is a list of the most important ones in terms of occupational health and safety:

- Risks and opportunities
- Assessment of occupational risks
- Legal and other requirements
- Training
- Communication, participation and consultation
- Management of documentation
- Control of changes
- Industrial safety in equipment and installations
- Monitoring of work with special risks
- Monitoring of suppliers of works and services
- Road transport of hazardous goods
- Emergency plans.
- Audits
- Review by Management of the management system
- Incidents, non-conformities and corrective actions

In 2021, many prevention and employee-health promotion activities were carried out, among which the following basic indicators stand out:

- 5,583 hours of training (59% decrease compared to 13,739 hours in 2020, returning to the level of 2019 – this significant difference is explained by the fact that in 2020 the HSE e-learning training content was renewed and a massive call was made to all employees):
  - o 1,312 attendees.
  - o 457 course editions
- 293 corrective and improvement actions properly managed in the different areas of the organisation (27% increase compared to 230 actions in 2020).
- 177 occupational risk assessments (22% increase compared to 145 assessments in 2020):
  - o 103 occupational safety assessments.
  - o 42 industrial hygiene assessments.
  - o 16 job assessments.
  - o 15 workplace assessments.
  - o 1 assessment of ergonomics and applied psychosociology.
- 289 suppliers of works and services approved in terms of health and safety to carry out work at Almirall centres (15% increase compared to 289 suppliers in 2020).
- 186 monitoring and control activities (33% increase compared to 140 in 2020):
  - o 86 self-inspections.
  - o 17 visits by Management.
  - o 15 supplier audits.
  - o 8 planned observations.
  - o 6 internal audits
  - o 60 other inspections and audits.
- 69 incidents and 33 non-conformities, all properly reported, investigated and evaluated (21% fewer incidents compared to 2020 and 3% fewer non-conformities compared to 2020).
- 1,105 medical examinations of employees (84% increase from 601 examinations in 2020, returning to pre-pandemic levels).

### 3.11.2. Accidents at work

The tables in this section summarise the main statistical data on accidents at the different Almirall centres for the 2019, 2020 and 2021 financial years. As can be seen, in 2021 there has been a very significant reduction in accidents with disability leave at work, compared to the data for 2020:

- 1) Incidence rate: in 2021 it was reduced globally by 44% (4.9 vs. 8.8). The 50% reduction at the Sant Andreu Pharmaceutical Plant, where there was an increase in 2020 and where an accident rate improvement plan was implemented in 2021, is noteworthy. With regard to the rest of the company's centres, it should be noted that in 2021 there were zero accidents at the headquarters, the Sant Feliu R&D Centre and at all the commercial subsidiaries except Switzerland, where there was one minor accident.
- 2) Frequency rate: also reduced in 2021 by 44% (2.5 vs. 4.5).
- 3) Severity index: in 2021 it was reduced by 32% (0.19 vs. 0.13).

It is important to note that, taking the official accident rate data for the last period published by the Ministry of Labour, Migration and Social Security as a reference, the incidence rate of accidents with disability leave in 2021 was 69% below the level of the Industry Sector, Pharmaceutical Products Manufacturing Division<sup>1</sup> (4.9 vs 15.7). Likewise, the severity rate of accidents resulting in disability leave in 2021 was 84% below the level of the Industry Sector, Manufacturing Industry Division (0.13 vs 0.81).

Tables 1, 2 and 3 also show the accident rate data broken down by gender, with an indication of the incidence, frequency and severity rates.

Centre	General data		Disability leave				
	Average workforce (1)	Hours worked (2)	Accid.	Days lost	I <sub>i</sub> (3)	I <sub>F</sub> (4)	I <sub>E</sub> (5)
Headquarters	303	585,616	-	-	-	-	-
Sant Feliu R&D Centre	235	450,736	-	41	-	-	0.09
Sant Andreu Pharmaceutical Plant	423	814,776	5	164	11.9	6.2	0.20
Reinbek Pharmaceutical Plant	118	268,787	3	63	25.4	11.2	0.23
Chemical plants	68	131,816	-	-	-	-	-
Commercial subsidiaries	644	1,235,261	4	226	6.2	3.2	0.18
<b>2019 Total</b>	<b>1,791</b>	<b>3,486,992</b>	<b>12</b>	<b>494</b>	<b>6.7</b>	<b>3.5</b>	<b>0.14</b>
Women	958	1,864,997	9	335	9.4	4.8	0.18
Men	833	1,621,995	3	159	3.6	1.8	0.10

**Table 1.** Accident data in 2019

Centre	General data		Disability leave				
	Average workforce (1)	Hours worked (2)	Accid.	Days lost	I <sub>i</sub> (3)	I <sub>F</sub> (4)	I <sub>E</sub> (5)
Headquarters	269	521,736	-	-	-	-	-
Sant Feliu R&D Centre	272	513,240	-	-	-	-	-
Sant Andreu Pharmaceutical Plant	448	866,456	10	522	22.3	11.5	0.60
Reinbek Pharmaceutical Plant	118	260,113	3	33	25.4	11.5	0.13
Chemical plants	72	138,944	2	9	27.9	14.4	0.06
Commercial subsidiaries	650	1,248,213	1	107	1.5	0.8	0.09
<b>2020 Total</b>	<b>1,829</b>	<b>3,548,702</b>	<b>16</b>	<b>671</b>	<b>8.8</b>	<b>4.5</b>	<b>0.19</b>
Women	978	1,898,003	6	505	6.1	3.2	0.27
Men	851	1,650,699	10	166	11.8	6.1	0.10

**Table 2.** Accident data in 2020

Centre	General data		Disability leave				
	Average workforce (1)	Hours worked (2)	Accid.	Days lost	I <sub>i</sub> (3)	I <sub>F</sub> (4)	I <sub>E</sub> (5)
Headquarters	274	529,272	-	-	-	-	-
Sant Feliu R&D Centre	249	470,920	-	-	-	-	-
Sant Andreu Pharmaceutical Plant	449	869,232	5	381	11.1	5.8	0.44
Reinbek Pharmaceutical Plant	120	257,989	1	4	8.4	3.9	0.02
Chemical plants	73	141,768	1	3	13.7	7.1	0.02
Commercial subsidiaries	680	1,275,418	2	64	2.9	1.6	0.05
<b>2021 Total</b>	<b>1,845</b>	<b>3,544,599</b>	<b>9</b>	<b>452</b>	<b>4.9</b>	<b>2.5</b>	<b>0.13</b>
Women	978	1,878,637	5	329	5.1	2.7	0.18
Men	867	1,665,962	4	123	4.6	2.4	0.07

**Table 3.** Accident data in 2021

Notes:

- (1) Average number of workers in the period.
- (2) Number of planned hours worked + number of overtime hours – number of absence hours.

<sup>1</sup> Important change: From the 2020 annual publication of the 'Statistics on accidents at work' of the Ministry of Labour and Social Economy, the economic activity is now considered to be that of the workplace in which the worker is registered with the Social Security. Data from previous years are recalculated in order to have comparable data according to this new criterion.

- (3) Incidence rate: number of accidents per thousand workers.
- (4) Frequency rate: number of accidents per million hours worked.
- (5) Severity rate: number of days lost per thousand hours worked.
- (6) All reported accidents are of a minor nature, i.e., none are serious, very serious or fatal.
- (7) Through the occupational health and safety management system and the identification, evaluation and control mechanisms, no workers with a high incidence or high risk of occupational diseases have been identified. No occupational diseases were identified and reported in 2021.

### 3.11.3. COVID-19-related health promotion and management

Almirall is firmly committed to promoting good health, with the aim of contributing to the health of its employees through training, communication, awareness-raising and health monitoring initiatives that encourage healthy lifestyles and well-being, both inside and outside the workplace. In 2021, for the second year in a row, the health promotion campaign programme was impacted by the COVID-19 health crisis, although to a lesser extent than in the previous year. Thus, the efforts of the Health and Safety Team and its Medical Services have continued to focus on defining prevention measures and intensive surveillance of workers' health.

The following is a summary of some of the main preventive measures implemented and maintained in 2021 in the organisation and at its work centres aimed at protecting the health of Almirall employees from COVID-19:

- Organisational measures: teleworking, flexible working hours and timetables.
- Individual measures: social distancing, respiratory protection and hand disinfection.
- Information to employees: continuous and systematic information, close collaboration with workers' representatives, physical signposting of health and safety measures.
- Health and safety: risk assessment in workplaces with potential exposure to COVID-19, protection of vulnerable workers, specific monitoring of workers' health, individualised psychological support, assurance of the provision and control of personal protective equipment.
- Cleaning and disinfection: reinforcement of cleaning and disinfection programmes, provision of hand-sanitising gel, specific waste management measures.
- Use of spaces: physical assurance of a minimum interpersonal distance of two metres, cancelling the use of some workstations, limiting the maximum allowable capacity of meeting rooms, break rooms, canteens and other common spaces. Physical separation measures. Monitoring of incoming and outgoing flows in each centre.
- Organisation: minimising the exchange of documents, avoiding face-to-face meetings, favouring the use of video conferencing, eliminating face-to-face training and travel activities, limiting lifts to one person, extending meal times, hygiene measures in company canteens, reinforcing control measures for external personnel.
- Other measures: suspension of the fitness service and other value-added services.
- Monitoring of compliance with standards: active monitoring of the level of compliance with the prevention rules implemented.

In addition, some of the activities carried out in the area of worker health monitoring during the management of the COVID-19 health crisis in 2021 are listed below:

- Proactive case management of infection and investigation of close contacts: a total of 143 confirmed cases of COVID-19, as well as 20 possible or suspected cases, were managed in 2021. In addition, 160 close contacts were identified, mostly from contacts outside the workplace.
- Temperature control at the entrances to the work centres until July 2021.
- Provision of reusable hygiene masks and their compulsory use at the workplace and during work.
- Campaigns to reinforce the need for flu and COVID-19 vaccination.

Given that Almirall's activities are considered essential, throughout the health crisis all the necessary activities were carried out to ensure business continuity, that is, to guarantee the continuity of the essential activities that cannot be paralysed due to the pandemic, both in the industrial and R&D centres:

- Employees: protection of workers' health, adopting the necessary preventive measures and monitoring all cases.
- Supply chain: in the industrial area, a Crisis Group was set up to closely assess the status of the different production centres and the impact on the supply chain, and how this could affect the availability of Almirall's products. It reacted when necessary from the following perspectives: a) products for sale in key markets and risk areas; b) continuity of operations in industrial centres (internal and external), as well as disruptive effects in the event of a lack of components; c) impact on current product launch projects.



- It should be noted that in 2021, expenditures of 456 thousand euros (1,284 thousand euros in 2020) were quantified, with no new investments worthy of mention occurring (158 thousand euros in 2020), in connection with both adaptation of the facilities to the new healthcare requirements and management of personnel in view of the mobility restriction.

#### 3.11.4. Worker participation and consultation

With regard to employee participation and consultation, Almirall not only scrupulously complies with the commitments assumed in the different negotiation frameworks in each territory (for example, in Spain, the new 20th General Chemical Industry Agreement) but also goes one step further by further developing its continuous improvement system.

In general, at Almirall's work centres in Spain with 50 or more employees, a Health and Safety Committee has been established as a joint and collegiate participation body for regular and periodic consultation of the company in matters of occupational risk prevention. The Health and Safety Committee is formed by the Prevention Delegates, on the one hand, and by representatives of the company in a number equal to that of the Prevention Delegates.

On the other hand, at the Almirall Germany centre (Reinbek) the so-called ASA Committee (Occupational Safety and Health Committee - Arbeitsschutzausschuss) has been established, in which both the company and the workers (Work Council - Prevention Delegates) are represented, in addition to the support of the Medical Service and various technical figures in Prevention.

At a general level, the participation and consultation of workers takes place formally, through their representatives (Prevention Delegates), in the periodic meetings of the different Health and Safety Committees/ASA Committees. Nonetheless, on a day-to-day basis, the Prevention Delegates are informed and included as participants in the different processes managed in the PREVAL corporate application (incident investigations, change controls, audits, self-inspections, corrective and preventive actions, etc.), as well as on an occasional basis by means of specific information and consultation memos.

Table 4 lists the nine Health and Safety Committees/ASA Committees in operation at Almirall's centres in 2021, as well as the 55 meetings held during the year (29% reduction compared to the 78 meetings held the previous year, mainly due to the scheduling of fewer extraordinary meetings as a result of the COVID-19 health crisis).

Centre	2019	2020	2021
Headquarters	5	20	9
Sant Feliu R&D Centre	3	17	6
Sant Andreu Pharmaceutical Plant	5	9	5
Reinbek Pharmaceutical Plant	8	3	4
Sant Andreu Chemical Plant	5	4	6
Sant Celoni Chemical Plant	5	5	6
Almirall, S.A. Spanish Subsidiary	-	2	6
Laboratorios Almirall, S.L. Spanish Subsidiary	-	2	6
Industrial Area - COVID-19 Committee	-	16	7

**Table 4 – Health and Safety Committees/ASA Committees.**

As a general assessment of what was discussed in the formal meetings of the different Health and Safety Committees/ASA Committees held during 2021, it can be concluded that, the COVID-19 crisis apart, no special issues arose that required comments beyond what is described in the minutes of these meetings and in any corrective and improvement actions that may have been managed through PREVAL.

## 4. Community and Society

### 4.1. Respect for human rights

As could not be otherwise, Almirall is strongly committed to guaranteeing respect for human rights in all areas and at all levels of its business organisation. This commitment is realised, on the one hand, by recognising them and, on the other, by promoting them. This takes place through the implementation of appropriate corporate policies designed to ensure strict observance of the fundamental principles and values promoted by the main international human rights organisations, most notably the United Nations (UN) and the International Labour Organisation (ILO).

Accordingly, all production processes at Almirall are carried out in fair working environments, governed by values such as respect for human dignity and the autonomy of the individual, as well as equality, these being just a few of the core values that govern the company's business activity.



Guaranteeing the right to decent work is an essential part of the human rights sphere, as has been recognised by international organisations such as the UN and the ILO. In this regard, the policies that govern Almirall's actions in this area (equality, diversity and harassment protocols, as well as the Code of Ethics) are based on compliance with the labour regulations/legislation in force at all times. To this end, due diligence procedures have been implemented to ensure compliance with these regulations. These procedures materialise in the design and implementation of policies, plans and programmes that allow the company to verify compliance and proper observance of human rights within Almirall.

More specifically, through these procedures, Almirall guarantees, among others:

- Compliance with regulations on hiring and working conditions, which exclude abusive, forced or illegal labour situations, specifically child labour, from occurring in any of the Group's companies.
- Observance of non-discrimination and equality provisions by having plans and programmes in place to guarantee non-discrimination in terms of gender (Equality Plans), as well as to prevent the violation of the rights of groups at risk of social exclusion;
- Respect for its workers' rights of unionisation and free assembly through maximum compliance with the provisions of Organic Law 11/1985, of 2 August, on Trade Union Freedom in Spain, as well as for the rights and guarantees stipulated in the labour regulations for the members of the Legal Representation of Workers at all Almirall centres;
- Support for its workers' health and safety by implementing prevention plans and complying with the regulations on risk prevention and occupational health and safety.

Lastly, it should be noted that Almirall also has whistleblowing channels available to all its employees (as described in section 1.6 'Prevention of and fight against money laundering'), through which they can report any action that they believe constitutes or may constitute or result in a human rights violation. The existence of these reporting tools is widely known and, as they can be used by any worker, they represent an excellent mechanism for ensuring compliance with human rights at all levels. The whistleblowing channels are highly useful because, in addition to bringing possible violations of fundamental rights to Almirall's attention, they also allow the company to combat the violations and act proactively to prevent potential violations, thereby ensuring that human rights are promoted and respected. In 2021, six complaints were submitted through the whistleblowing channel in the United States and handled in accordance with the Group's internal procedures. No complaints have been submitted in Europe.

#### **4.2. Social action plan to mitigate the impact of COVID-19**

As mentioned in the different sections of this report, Almirall has taken the necessary measures to safeguard the health of its employees, while maintaining operational activities at levels closer to pre-pandemic levels (although there are still affected activities, especially in terms of medical visits and events) and to be able to continue supplying medicines to patients.

Almirall, as a health sector company, expressed its solidarity, responsibility and commitment to all the professionals who fight day after day to stop the spread of the pandemic, actively participating in this struggle by using its own resources to facilitate the work of all members of the community.

Among the measures taken that are still in force are the flexibilisation of the working day, incorporating teleworking days, investment in the digitalisation of different processes and adapting to the health conditions of each moment and always respecting the recommendations of the health authorities in the different geographic areas where the Group operates. For example, travel has been restricted to the most essential cases, encouraging the use of teleconferencing or videoconferencing, both for internal and external meetings.

Support programmes have also been made available to employees for both physical and mental health support for those in need.

From a strict health standpoint, the Health, Safety and Environment team together with the medical teams of each site have been monitoring the positive cases by COVID to ensure that there were no outbreaks that put the health of the employees at risk.

#### **4.3. Commitments to sustainable development**

In its daily activity, Almirall has close ties with all the interest groups involved in the fields of research and healthcare and it works to maintain a fluid relationship with all of them.

Partners such as healthcare professionals (HCPs), healthcare organisations (HCOs) and medical societies, patient organisations (POs) and patient advocacy groups (PAGs) play a key role in the work of improving skin health. Almirall's activities in collaboration with them provide the Group with an invaluable opportunity to listen, learn and share.

## **Patients**

Benefiting patients is at the heart of all Almirall's activities. The company strives to provide effective treatments that improve the health and quality of life of patients and offer them the greatest possible benefit. The entire operating model, from scientific innovation to product marketing, is based primarily on understanding patients and their environment in order to provide them with the greatest possible value. The Group develops innovative medicines that address unmet needs that can have psychological implications; it likewise fosters greater awareness of little-known pathologies, such as psoriasis, that have a significant impact on patients' lives.

In 2021, we collaborated with a wide range of patient organisations (POs) that support skin disease sufferers and patients in other areas of strategic focus for Almirall. This direct contact with patient advocacy is in line with the commitment to build mutual respect and trust.

This year, collaboration continued with the Healthy Habits Project in partnership with Acción Psoriasis to address the need for guidance and support for psoriasis patients in terms of diet, physical activity and emotional well-being. In 2020, a multidisciplinary expert committee was set up with the participation of patients through this association. A detailed survey on dietary habits and nutrition was conducted and completed by almost 1,500 patients. In 2021, working together with the expert committee, the emotional management survey was developed to find out how we can help patients with psoriasis to improve their emotional well-being and, consequently, their overall well-being. This was launched through Acción Psoriasis to coincide with World Psoriasis Day.

As a support tool to improve patients' emotional well-being, Almirall presented the CLARO digital application to Acción Psoriasis to offer this tool to patients with psoriasis and psoriatic arthritis in Spain. By 2022, the third and final side of the pyramid, physical exercise, will be addressed by launching another survey. The results of the different surveys will be analysed in order to provide patients with solutions that meet their needs and help them improve their quality of life.

During World Psoriasis Day week, Almirall collaborated with IFPA (International Federation of Dermatological Societies) and created the #SheddingLightonPsoriasis campaign to raise awareness of the impact of the disease on the well-being of people living with the disease and of their families.

In the area of multiple sclerosis (MS), among other projects, we collaborated with regional MS patient associations with the following solidarity campaigns: the virtual MOUT-TE race; the 'An apple for life' campaign, which raised money and gave visibility to the 9,000 families of patients with multiple sclerosis in Catalonia, and the Mulla't campaign, an event that takes place in swimming pools across Spain. The Group was also involved at regional level with the World and National Multiple Sclerosis Day campaigns. Almirall also collaborates with these regional associations in conducting MS symptom workshops, in which patients are taught techniques for optimising exercise therapy and maintaining a routine that allows them to improve their symptoms in the medium/long term.

In the field of atopic dermatitis, we also collaborated with AADA (Asociación de Afectados por la Dermatitis Atópica) on National Atopic Dermatitis Day and involved the association in an internal awareness and CSR initiative (feelfit).

## **Health professionals**

Almirall and health professionals share the goal of improving patients' quality of life. Healthcare professionals' experience provides the company with a wealth of knowledge about possible therapeutic solutions, areas of unmet medical needs, as well as patient responses to different treatments. The company is therefore in constant contact with healthcare professionals and, consequently, able to meet their needs and offer them the most up-to-date information about its products. It also maintains open channels of communication with academic institutions, hospitals and scientific societies to promote joint programmes that contribute to improving health.

These are some of the most relevant medical societies and patient organisations with which we have worked in recent years:

- International Psoriasis Council (IPC)
- The International League of Dermatological Societies (ILDS)
- Psoriasis from Gene to Clinic (Psoriasis G2C)
- International Federation of Psoriasis Associations (IFPA)
- The American Acne and Rosacea Society (AARS)
- Acción Psoriasis
- Asociación de afectados por la dermatitis atópica (AADA)
- Multiple Sclerosis Spain (EME) and regional MS associations
- Skin Cancer Foundation
- France Psoriasis

In the area of multiple sclerosis (MS), we also collaborate with both the Spanish MS association (EME) with the national and world MS day, as well as with the annual linkEM congress, a forum for sharing information and tools to foster the creation of new research projects and studies addressing quality of life issues for people with MS.

In terms of collaboration with healthcare institutions and patients, the FHarmaconectados initiative of the ProPatients Institute, a study that analyses how hospital pharmacies can better meet the needs of patients, was carried out. In 2020 and 2021, 24 hospitals across Spain took part, and it included 500 patients to whom hospital medication was being administered. The goal was to connect hospital pharmacists with the voice of the patient and to align and redesign supply, care and activities to better meet their most pressing needs.

### **Strategic partners**

The company believes that agreements with other companies help them to offer a balanced and competitive product portfolio and also serve to enhance their business growth. Almirall is, therefore, continuously looking for collaborations and associations that will enhance its R&D capabilities, expand the pipeline and help it achieve its objectives. The strategic partnerships cover the entire drug value chain and allow the company to share efforts, resources and risks for the purpose of discovering innovative treatments in the medical dermatology field. The most important strategic partners during the 2021 financial year were the following:

- MC2 Therapeutics
- Happify Health
- Tyrus Therapeutics
- Kaken Pharmaceuticals
- Ichnos Science

### **Associations and health authorities**

Almirall complies with all legal and administrative processes required by the health authorities in all areas of activity. Moreover, it collaborates with associations to develop health-related projects. Almirall is a member of the European Federation of Pharmaceutical Industries and Associations (EFPIA) and the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA), among others.

In all of these relationships, the information provided to the associations, along with the company's scientific knowledge, are used to develop products with the highest degree of safety and effectiveness to maximise patient well-being. The Group seeks to extend its commitment to all its partners and suppliers in the value chain in order to form solid relationships based on integrity, trust and transparency.

Almirall also carries out several awareness campaigns on various pathologies with the aim of making patients aware of how to control the symptoms of the diseases they suffer from and to raise awareness among the general public of the impact these diseases have on the people who suffer from them.

In Spain, several collaboration agreements were entered into with the health administration at national and regional level, as well as with hospital pharmacy departments. The main projects in 2021 were in the field of Telepharmacy, Telecare, Home Medication Delivery, as well as supporting hospital pharmacy services in carrying out studies incorporating the patient perspective (PROMs & PREMs). Increasingly, projects are multidisciplinary, involving the entire healthcare chain.

Also in Spain, it has been working with the residency programme for doctors (MIR) and Fundación Galatea since 2009 to promote healthy lifestyles for health professionals and encourage preventive care for health professionals through workshops targeted to their needs. In 2020, in light of the intense stress and unprecedented working conditions faced by health professionals, Almirall joined Fundación Galatea's initiative to provide a platform offering free psychological help and support to health professionals by telephone and video-conference, reaching hundreds of health professionals.

### **Non-Governmental organisations**

Almirall works with several non-profit organisations to promote activities, offer services and fund projects that they consider fundamental for the social development of the most disadvantaged populations and regions. For example, the company maintains close relationships with patient organisations and patient advocacy groups, as discussed in detail, collaborating on projects and placing the company's expertise at their disposal. This makes it possible to have a complete picture of their needs, the conditions surrounding their diseases, and the emotional and social barriers they face.

Almirall only makes donations, contributions and sponsorships to institutions, organisations or associations that are made up of healthcare professionals and/or provide healthcare or conduct research, subject in all cases to the following requirements:

- They must be made for the purpose of supporting healthcare or research;
- They must be validated and authorised internally beforehand, correctly documented on the basis of the corresponding prior contract, and the data of the corresponding beneficiaries duly identified and recorded;
- They must not be intended to induce the recommendation, prescription, purchase, dispensing, sale or administration of specific drugs; and
- They do not violate either the applicable local regulations or the ethical commitments assumed by the sector.

In 2021, donations amounting to 362 thousand euros were made to various foundations, universities and health centres, mainly in Italy, Germany and Spain. Almirall does not allow donations and grants that benefit individual medical professionals.

Since 2017, Almirall has participated as a founding member of the Access Accelerated programme, an initiative that is developing scalable and sustainable solutions to save lives and improve people's health. The programme brings together more than 20 biopharmaceutical companies and numerous implementing partners to address the growing number of non-communicable diseases (NCDs) in low- and middle-income countries. The initiative directly addresses the Sustainable Development Goals (SDGs) identified in the United Nations 2030 Agenda, which aims to reduce premature mortality by one third by that year. NCDs are considered a global health crisis: Each year, 41 million people die from NCDs, making it the leading cause of death and disability worldwide, and 32 million of these deaths disproportionately affect people in low- and middle-income countries.

Almirall is proud to collaborate on this project to collectively work towards a better future, one in which premature deaths from treatable diseases are a thing of the past and people living with or at risk of non-communicable diseases have access to quality and affordable preventive measures, treatment and care.

#### **4.4. Subcontracting and suppliers**

Respect for the law, the commitments assumed, the quality of service and contractual good faith form the basis of the relationship between Almirall and its suppliers. We demand quality, rigour, commitment and excellence from all of them, as we firmly believe that our suppliers are an extension of Almirall's activities and, therefore, one of our most important assets. Suppliers are required to be reciprocal and transparent in the provision of services and in the information they provide to us regarding their technical and financial solvency.

To ensure that the product supply chain is stable and sustainable, Almirall has supplier approval processes which, depending on the service provided or goods supplied and the geographic area from which they operate, ensure that they comply with the requirements established by Almirall and the regulatory framework in terms of quality, the environment (ISO certification, ecological criteria), occupational health and safety, and labour practices.

In recent financial years, Almirall has been working to increase and strengthen these processes. Specifically, the Purchasing department leads the Sustainable Purchasing Programme, which is framed within Almirall's ESG strategy. This programme is made up of a series of initiatives that are included in the 2019-2020 and 2021-2023 roadmaps.

As part of the Purchasing Sustainability Programme, the Purchasing department has promoted the following actions over the last three years:

##### **4.4.1. Policies and processes:**

Updating in 2019 of Almirall's Purchasing department policy to strengthen corporate social responsibility issues (including social, gender equality and environmental aspects) during the supplier bidding and approval processes. In this regard, sustainability was included as part of the department's mission as well as one of the risk categories to be quantified and measured as part of the process of procuring goods and services.

Implementation in 2019 of the Almirall Supplier Code of Conduct, which is available on the corporate website, with the aim of strengthening the Group's commitment to sustainability and communicating ESG expectations to suppliers. Almirall's Supplier Code of Conduct is made up of five blocks (ethical principles, human rights, occupational health and safety, respect for the environment, and quality). Knowledge and acceptance of Almirall's Supplier Code of Conduct during the bidding and approval process is an important element in the evaluation and selection of a supplier, along with other criteria, to ensure that they are aligned with Almirall's ethical, social and environmental commitments. During the approval process, the supplier must accept and commit to compliance with it (and commit to requiring its subcontractors to do the same).

Inclusion in 2019 of questions related to corporate social responsibility and sustainability actions in the Request for Information (RFI) questionnaires to suppliers, as well as during the approval process, which are evaluated by the purchasing specialists when analysing a supplier's suitability.

Implementation in 2021 of a new work protocol related to supplier selection, with the aim of including, among other items, financial and non-financial risk assessment criteria with a weighting of between 5-10%.

Implementation in 2021, with availability as of 2022, of the obligation to conduct an ESG audit as a pre-requisite for all suppliers awarded a project in excess of 500 thousand euros.

#### 4.4.2. Contracts with suppliers

In 2020 and 2021, all the standard contract models delegated to the purchasing team from the legal department have been progressively updated with the aim of including clauses relating to suppliers' compliance with the social, ethical and environmental commitments set out in Almirall's Supplier Code of Conduct and acceptance, where applicable, of any ESG audits that Almirall may request. These contracts cover all the activities for which selection and contracting is managed by the purchasing department, both for the purchase of goods classified as 'direct expenditure' (related to the production of our products) and 'indirect expenditure' (related to services not directly linked to production).

Likewise, Almirall's General Conditions for Purchasing have been implemented and are available on our corporate website, in the suppliers' area, in Spanish and English, and include the same commitments on the part of the supplier. These conditions apply by default to all purchases in the absence of a specific contract and include commitments regarding adherence to the Supplier Code of Conduct and participation in any supplier platform required by Almirall, including the platform used for ESG supplier audits.

#### 4.4.3. Audits

In line with our Noble Purpose, as part of the Sustainable Purchasing Programme, we evaluate our suppliers remotely through an independent global rating agency which uses the strictest ESG criteria, and we implement individual action plans taking into account the results of each supplier's evaluation and the potential risks identified in same. Suppliers are included in the audit programme on the basis of pre-defined criteria (determined by the type of service, the criticality of the service, the level of expenditure in the last twelve months prior to the screening and the geographic area from which the suppliers operate).

As of the closing date of the 2020 non-financial statements report, more than 190 suppliers had been invited to participate in the audits and, based on the results received from more than 130 of them, no suppliers were identified as high risk and only 26 were identified as medium risk in accordance with the established methodology.

In the 2020-2021 period, the metrics of the supplier ESG audits were the following:

	No. of suppliers	% Expenditure(*)
<b>Providers included in the programme</b>	261	60.15%
<b>Suppliers with results</b>	214	45.76%
<b>Suppliers who declined to participate</b>	39	5.89%

(\*) The reference to '% Expenditure' refers to the percentage represented by the expenditure invoiced to these suppliers in the last 12 months with respect to the total expenditure on suppliers for the same period and managed by the Purchasing and External Sites Operations departments, the latter being responsible for contract manufacturing organisations.

Of the 214 suppliers with results in the 2020-2021 audits, only 1 was found to be high risk and 28 were medium risk, representing 0.36% and 5.59% of expenditure, respectively.

At the close of the audits, the high/medium-risk suppliers are asked to take the corrective actions identified as 'areas for improvement' in the audits based on an established action plan. They are also asked to undergo a re-evaluation within the following twelve months. Since the start of the collaboration with the auditor in the ESG area, suppliers that had already been audited in previous years were re-evaluated, and a significant improvement trend was demonstrated in the evaluations. Follow-up is done with suppliers who decline to participate to discover the reasons for their decision and action is taken accordingly.

#### 4.4.4. Key performance indicators (KPIs) of the Sustainable Purchasing Programme. External recognition

In order to measure and monitor the development and success of the Sustainable Purchasing Programme, the KPIs of the programme for the years 2021-2023 were defined and communicated to the company's ESG committee in 2021. As reflected in the 2021 metrics included in the previous section, these KPIs were not only met but also substantially exceeded during the year.



### 2021-2023 Sustainable Purchasing Programme KPIs

Name of the KPI	Description of the KPI	KPI target/year
Providers included in the programme	% expenditure(*) invoiced to suppliers included in the ESG audit programme	2021: 60% 2022: 62% 2023: 64%
Suppliers with results	% expenditure(*) invoiced to suppliers with results available in the ESG audit programme	2021: 35% 2022: 45% 2023: 50%
Suppliers who declined to participate	% expenditure(*) invoiced to suppliers that declined to participate in ESG audits	2021: 20% 2022: 12% 2023: 10%

(\*) The reference to '% Expenditure' refers to the percentage represented by the expenditure invoiced to these suppliers in the last 12 months with respect to the total expenditure on suppliers for the same period and managed by the Purchasing and External Sites Operations departments, the latter being responsible for contract manufacturing organisations.

As part of Almirall's commitment to sustainability, in 2021 Almirall was awarded the Ecovadis platinum medal for the results of its ESG audit. This result places Almirall in the top 1% of companies in the 'Manufacture of basic pharmaceutical products and pharmaceutical preparations' sector rated by Ecovadis, which has more than 85,000 member companies from more than 200 sectors of activity in more than 160 countries. Part of the substantial improvement in the overall rating is due to the results achieved in the Sustainable Purchasing dimension, which places us in the top 7% of the companies with the best Ecovadis evaluation in this dimension in our sector.

#### 4.4.5. Supplier diversity

Our philosophy includes fostering relationships with local suppliers in order to promote value creation and generate a positive impact on the society around us. In this sense, in order to maximise our positive social impact, we contract Special Work Centres (CET) for part of the services of supplying office material and Personal Protective Equipment (PPE), event logistics, as well as the reprocessing and handling of finished products and displays.

#### 4.4.6. Resources. Training and specific objectives

In 2019, an additional resource was added to the purchasing team to develop the strategy, implement and advance in the continuous improvement of the Sustainable Purchasing Programme.

Since 2019, all Almirall professionals involved in the Sustainable Purchasing Programme have a specific objective linked to the support and activities related to the programme and have received specific annual training on sustainability and sustainable purchasing, management of the programme and use of the audit platform, implementation of mitigation plans for identified risks and specific training on climate change.

Since 2020, specific communication materials have been available to suppliers covering the objectives and expectations of the programme, and post-evaluation feedback was provided along with resources and assistance for improving the score and implementing the requested corrective actions, all with the aim of ensuring alignment with our expectations, commitment to sustainability and continuous improvement on the part of our suppliers.

### 4.5. Group tax information

#### 4.5.1. Almirall's tax policy

The fundamental objective of Almirall's tax strategy is to guarantee strict compliance with the applicable tax regulations and ensure adequate supervision of the tax policy implemented by its subsidiaries in all the territories where it currently operates: Spain, Germany, the United States, Italy, Switzerland, France, Austria, Luxembourg, Portugal, the United Kingdom, Denmark, Sweden, the Netherlands, Belgium, Poland and China. It does this while seeking maximum legal certainty, contributing to the fulfilment of the business strategy in the short, medium and long term, and maintaining a position of collaboration and transparency with the respective tax authorities.

Almirall has no presence in territories classified as tax havens, and its commercial transactions with third parties located in these or in any other territories are within the framework of its ordinary industrial and commercial activity. Furthermore, it rejects artificial transfers of earnings to these territories and the opacity provided by the lack of transparency of these territories, in accordance with the international taxation principles and recommendations of the OECD's Committee on Fiscal Affairs. Accordingly, it does not use structures of an artificial nature, unrelated to its activity, for the purpose of reducing its tax burden or transferring earnings.

Transparency of information on tax matters is considered essential to Almirall's tax policy. For this reason, it acts by providing, in the most complete manner, the information and documentation with fiscal significance requested by the competent tax authorities in the shortest possible time. Likewise, it develops and promotes a cooperative and fluid relationship with tax authorities based on respect for the law, trust, good faith, reciprocity and cooperation.

In May 2014, Almirall's Board of Directors agreed to adhere to the Code of Good Tax Practices in Spain, which includes a series of recommendations aimed at achieving application of the tax system through cooperation between the public administration and companies. This adhesion is aligned with the principles and guidelines for action in tax matters established in Almirall's tax strategy.

Almirall is also sensitive to and aware of its responsibility in the economic development of the territories in which it operates, contributing to the creation of economic value through the payment of taxes.

Almirall's tax policy is based on a prudent and reasonable interpretation of the tax regulations in force in each jurisdiction. The Group avoids significant tax risks by implementing internal information and control systems that enable it to manage tax matters in an orderly and expert manner. Likewise, it uses the services of independent tax experts of recognised and proven reputation before adopting any business decision with potential tax implications. If necessary, it collaborates with the competent tax authorities in seeking solutions to achieve certainty and stability in the tax criteria to be applied by the administration and to give priority to non-litigious means of dispute resolution.

Almirall has established a transfer pricing policy for all transactions with related parties that is aligned with the principles established by the main competent international bodies. This policy is reviewed annually to avoid any deviation from these principles. With the aim of achieving legal certainty and increasing transparency and cooperation, since 2007, Almirall, S.A. has been periodically signing Preliminary Agreements for the Valuation of related transactions with the Spanish Tax Agency in relation to the distribution of its products by the Group's international subsidiaries. The latest Agreement was signed in 2019 and is valid until 2022.

#### 4.5.2. Tax contribution

The Total Tax Contribution measures the total impact of a company's tax payments. This assessment is made from the standpoint of the total contribution of taxes paid directly or indirectly to the different administrations as a result of the Company's economic activity.

A distinction is drawn between the taxes that represent a cost to Almirall and the taxes it collects:

- The taxes borne are those taxes that Almirall has paid to the administrations of the different states in which it operates. These are taxes that have represented an effective cost for Almirall, and they basically include payments for income tax, local taxes, miscellaneous taxes and Social Security contributions payable by the company.
- These are taxes that have been paid as a result of Almirall's economic activity without entailing a cost to the company other than that involved in managing them. They basically include net value added tax, withholdings for employees and third parties, and social security contributions payable by employees.

With regard to taxes paid, and specifically in relation to income taxes paid or collected, the information for the last three financial years is as follows (aggregate amounts under "Other countries" are not detailed as they are not individually significant):

Millions of euros Payments/(Collections) by location	2019			2020			2021		
	Relating to prior years	Payments on account for the year	Total	Relating to prior years	Payments on account for the year	Total	Relating to prior years	Payments on account for the year	Total
Spain	(20.9)	19.3	(1.6)	-	11.2	11.2	(39.6)	11.7	(27.9)
Germany	1.5	9.6	11.1	0.8	10.7	11.5	-	11.5	11.5
Italy	-	2.6	2.6	-	0.9	0.9	2.3	2.1	4.4
Switzerland	-	3.1	3.1	-	3.2	3.2	1.8	2.1	3.9
United States	(0.7)	3.4	2.7	-	(1.4)	(1.4)	(16.7)	0.3	(16.4)
Other countries	0.2	0.5	0.7	0.1	0.8	0.9	0.2	0.8	1.0
<b>Group Total</b>	<b>(19.9)</b>	<b>38.5</b>	<b>18.6</b>	<b>0.9</b>	<b>25.4</b>	<b>26.3</b>	<b>(52.0)</b>	<b>28.5</b>	<b>(23.5)</b>

#### 4.5.3. Pre-tax net profit by country

Below is a detail of the pre-tax net profit generated in each of the countries included in the Almirall Group's consolidated group. This net profit has been calculated on the basis of IFRS accounting principles at the individual level, in each of the countries indicated, before incorporating consolidation adjustments:

Pre-tax net profit (thousands of euros)	2019	2020	2021
Spain	75,854	24,927	(30,142)
Netherlands	7,045	12,724	6,792
Belgium	154	117	200
Portugal	387	282	379
United Kingdom	1,530	727	485
France	2,544	2,091	2,262
Poland	26	24	18
Germany	31,683	36,406	37,330
Austria	1,079	367	322
Italy	6,744	17,876	6,368
Denmark	225	269	452
United States	(59,591)	(118,921)	(263,506)
Switzerland	24,558	41,523	30,636

Note 22 of the annual consolidated accounts also detail the reconciliation between the accounting result and the tax result. In general, the origin of the permanent differences in the individual companies corresponds mainly to the different tax treatment of certain expenses accrued in those years.

- The increase in the basis for permanent differences in 2021 and 2020 is mainly due to the different tax treatment of certain expenses accrued in those years. The decrease in the basis for permanent differences in 2021 is basically due to the reduction in taxable income from the disposal of intangible assets.
- The decrease in the tax base due to permanent differences in 2019 was basically due to the reduction in the tax base of income from the disposal of intangible assets. In relation to government subsidies, the information can be found in note 18 of the consolidated annual accounts at the close of the 2021 financial year.

#### 4.6. Quality Systems and Pharmacovigilance as tools to ensure product quality, health and consumer safety

Almirall has a Quality Assurance and Pharmacovigilance system which defines the roles, responsibilities and procedures to be followed, with the ultimate goal of ensuring the quality of the products and the safety of patients/customers. For the territories where Almirall sells its products, there are designated persons in charge of local Quality Assurance and Pharmacovigilance. The functions of the Quality Assurance department include collection of information on market quality complaints, the processing of these with the head office and/or manufacturer for evaluation and investigation, in addition to being the contact persons with the national health authorities in each country. On the other hand, the functions of the Pharmacovigilance department include collection of information on possible adverse reactions (side effects), the processing of these with the head office for evaluation, in addition to being the contact persons with the national authorities of each country.



#### 4.6.1. Quality Systems

Almirall is a global pharmaceutical company dedicated to the supply of products through its own R&D efforts and agreements and partnerships aimed at providing products to improve the health and quality of life of patients, in accordance with international quality standards in the sector and in compliance with all legal and regulatory requirements in force.

Almirall has a direct presence in most European Union countries through its own well-established subsidiaries, whose purpose is the direct marketing of Almirall products in each territory. In addition, licensing of products to external partners allows Almirall to market products in other countries around the world.

Almirall, as the holder of manufacturing, storage, transport, distribution and marketing authorisation for medicines and medicinal products, complies with the legislation in force in the countries where it markets its products. In the field of medicines and medicinal products, the responsibilities of the pharmaceutical industry are clearly detailed by the applicable pharmaceutical legislation in force.

Almirall has a global quality system that pursues continuous quality improvement and covers active ingredient manufacturing plant processes, finished product, subcontracted manufacturers, suppliers of starting materials, storage and distribution services.

A significant number of international health authorities conduct regular inspections at manufacturing plants to verify that they comply with the established quality standards. The favourable results of external audits and inspections by health authorities, international bodies and customers in 2021 demonstrate Almirall's commitment to the quality and safety of its products.

Evolution of the number of external audits and inspections:

Inspection team	2019	2020	2021
Health authorities	19	14	17
External inspections by business partners	4	4	10

In 2021, a total of 27 quality inspections were managed. The inspections covered different types of products (pharmaceuticals, medical devices and cosmetics) and were conducted by inspectors from different countries, using various local and international regulations as a reference. Seventeen inspections were managed by different health authorities and/or certifying bodies; the rest were managed by external partners. The inspectors came from at least 14 different countries and focused on 16 separate sites (of the Almirall Group and/or contract manufacturers). Almirall has a Quality Assurance and Pharmacovigilance system that defines the roles, responsibilities and procedures to be followed, with the ultimate goal of ensuring the quality of products and ensuring the safety of patients/customers in the supply, manufacturing and distribution chain of its products.

Almirall works with suppliers of starting materials and services that impact the quality of the product, all of them previously approved by Quality Assurance. Within the processes of approval and continuous verification of the quality of suppliers, annual audit plans are established for their facilities. As a reference, 84 audits were conducted in 2021 with the following distribution:

Area	Type of supplier	Results			
		Year	No. of quality audits	Favourable	Unfavourable
Manufacture	Starting materials and services	2019	120	120	-
		2020 (*)	60	60	-
		2021 (*)	71	71	-
Commercial	Distributors and transport companies	2019	12	12	-
		2020 (*)	3	3	-
		2021 (*)	13	13	-

(\*) due to the context of the COVID-19 pandemic, inspections initially planned for 2020 were rescheduled to 2021-2022 according to the performance criteria established by the Health Authorities in 2020 and due to global travel constraints.

For the territories where Almirall distributes and markets its products, procedures exist that describe the quality system associated with local distribution, and there are people designated to be responsible for local Quality Assurance and Pharmacovigilance in each subsidiary.

The functions of the Quality Assurance department include collection of information on market quality complaints, processing of these complaints with the head office and/or manufacturer for evaluation and investigation, in addition to being the contact persons with the national health authorities in each country. The functions of the Pharmacovigilance department include collection of information on possible adverse reactions (side effects), the

processing of these with the head office for evaluation, in addition to being the contact persons with the national authorities of each country.

At the corporate level, within the Quality Assurance area, a multidisciplinary team of health science professionals (including mostly pharmacists and chemists) evaluates the information collected, performs the relevant investigation in each case and takes responsibility for producing investigation reports, issuing conclusions and responding to the customer who submitted the quality complaint. This team is also responsible for establishing preventive and corrective action plans to avoid their recurrence, as well as for informing the national health authorities, in the cases foreseen in the health regulations. This activity is ongoing throughout the life cycle of each drug.

There is also a Quality Operating Committee, chaired by the Quality Assurance Director, with the active participation of the Group's industrial and business operations areas, to guarantee the necessary coordination on quality issues, as well as to sustain and develop an effective quality system in perfect alignment with the health regulations in force.

The market complaint data for the last three years are as follows:

	2019	2020	2021
No. of drug complaints (ppm)	5.1	4.6	3.3
Medicines released (units)	104,209,910	102,328,984	89,163,533
No. of complaints regarding active ingredients (ppm)	-	-	-
Active ingredients released (kg)	124,465	129,943	119,894
No. of quality inquiries received	1,268	1,052	1,087

As of the date this document was issued, more than 98% of the enquiries received in 2021 were answered promptly, and the rest are being processed, with the objective of closing them on schedule.

#### 4.6.2. Pharmacovigilance Systems

In addition to the management of quality complaints, Almirall has teams in charge of Pharmacovigilance management. In the event that Almirall's Quality Assurance department is informed that a product defect may be associated with an adverse reaction, by company procedure, the Quality Assurance department will notify the Pharmacovigilance department for subsequent management, and vice versa.

In the Pharmacovigilance area at corporate level, within the R&D area, there is a team of health science professionals (including doctors, pharmacists, etc.) who evaluate the information collected, carry out follow-up activities if necessary to find out more details about the reported reaction as well as to prepare and distribute safety reports to the health authorities in accordance with current guidelines. This team is also responsible for ensuring that the safety information available in the package leaflets is up to date at all times with regard to adverse reactions. This activity is ongoing from the first authorisation of the product until it is cancelled and its marketing authorisation suspended.

In relation to the Pharmacovigilance area, there is a corporate drug safety committee, which is the body responsible for making relevant decisions on safety matters as well as for ensuring compliance with legislation and the safety of patients/customers.

To guarantee the continuity of the Pharmacovigilance activity, there is a business continuity plan, which was activated due to the COVID-19 pandemic in 2020 and kept in place during 2021, the most noteworthy aspect of which being the continuity of teleworking activities. The pandemic has had no impact on the Pharmacovigilance system.

The most significant adverse reaction metrics for the last three years are as follows:

	2019	2020	2021
No. of adverse reactions received and processed at Almirall	4,291	3,518	3,429
No. of adverse reactions reported to European Health Authorities (EMA) as required by current legislation	1,269	1,330	1,827

The safety information collected in 2021 does not alter the benefit/risk profile of Almirall's products and has not been the subject of safety-related regulatory action by the competent health authorities.

## 5. About this report

### 5.1. Scope of the report

This report covers the period from 1 January to 31 December 2021, corresponding to Almirall's financial year. In the sections where historical data appears, figures for the last three financial years (2019-2021) have been included.

For the purposes of this report, Almirall S.A. and all its subsidiaries are referred to as 'Almirall' or 'the Group'. The information reported includes all the Group's subsidiaries. A list of Almirall's subsidiaries can be found in the Appendix to the Consolidated Financial Statements for the year ended 31 December 2021.

The financial information included in this report is derived from the Consolidated Financial Statements for the year ended 31 December 2021.

The indicators included in this report have been compiled by Almirall. The system used to obtain information guarantees methodological rigour and allows for historical comparisons.

Almirall incorporates the content of this non-financial information in this Management Report. In addition, it prepares an Annual Report, a document that reports on its social and environmental policies, as well as its commitment and performance in sustainability and ESG. In it, the Group provides detailed information on its actions with regard to the issues described above.

### 5.2. Principles of preparation

Almirall has defined the content of this report using the selected GRI standards.

- Inclusion of stakeholders: Almirall maintains a constant dialogue with all its stakeholders. The company is able to anticipate their concerns to meet their expectations and interests.
- Sustainability context: Almirall aspires to contribute to economic, environmental and social progress at local, regional and global levels. The 2021 performance information is contextualised within the framework of the regions where it operates.
- Materiality: Almirall focuses the content of this report on issues on which it has a significant economic, environmental and social impact, as well as those that could substantially influence the decisions and assessments of its stakeholders.
- Completeness: The significant issues included in this report sufficiently reflect the most significant social, economic and environmental impacts of the group to enable stakeholders to assess its performance over the course of the financial year.

### 5.3. Index of contents required by Law 11/2018 of 28 December

Area	Content	Related GRI Standards	Reference to Statement of Non-Financial Information (page no.)
Business model	Brief description of the group's business model, including: 1) its business environment, 2) its organisation and structure, 3) the markets in which it operates, 4) its objectives and strategies, 5) the main factors and trends that may affect its future development.	102-1, 102-2, 102-3, 102-4, 102-6, 102-7	1 'Business Model' (p. 4)
Policies	A description of the group's policies with respect to these matters, including: 1) due diligence procedures applied for identification, assessment, prevention and mitigation of significant risks and impacts 2) verification and control procedures, including the measures adopted.	103-2	2 'Environmental management' (p. 15) 4'Community and Society' (p. 42) 3 'Employees' (p. 29) 1.6 'Prevention of and fight against money laundering' (p. 14)
Short-, medium- and long-term risks	The principal risks associated with the group's activities in relation to these issues, including, where relevant and proportionate, any of its business relationships, products or services that might have an adverse impact in the group's activities in relation to those areas; and - how the group manages said risks, - explaining the procedures used to detect and assess them in accordance with the national, European or international reference frameworks for each matter. - Information should be included on the impacts that have been identified, providing a breakdown of these impacts, in particular the main short-, medium- and long-term risks.	103-2, 102-15	2 'Environmental management' (p. 15) 4'Community and Society' (p. 42) 3 'Employees' (p. 29) 1.6 'Prevention of and fight against money laundering' (p. 14) 4.2 'Social action plan to mitigate the impact of COVID-19' (p. 47) 4.4 'Subcontracting and suppliers' (p. 50)
Environmental issues	<b>Global environment</b> 1) Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety, environmental assessment or certification procedures; 2) Resources dedicated to the prevention of environmental risks; 3) The application of the precautionary principle, the amount of provisions and guarantees for environmental risks. (e.g., derived from the environmental liability law)	103-2, 102-11	2 'Environmental management' (p. 15)
	<b>European Taxonomy</b> Regulation (EU) 2020/852 containing the fundamentals of the common European classification system for environmentally sustainable economic activities, in particular the delegated acts for climate change mitigation and adaptation.	N/A	2.2 'European Taxonomy' (p. 157)
	<b>Pollution</b> Measures to prevent, reduce or remediate carbon emissions that seriously affect the environment, taking into account any form of activity-specific atmospheric pollution, including noise and light pollution.	103-2	2.4 'Air, noise and light pollution' (p. 23)
	<b>Circular economy and waste prevention and management</b>		
	Circular economy	103-2	2.6 'Waste management, eco-design and biodiversity' (p. 26)
	Waste: Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste;	103-2, 306-2	
	Actions to combat food waste.	Not applicable	
	<b>Sustainable use of resources</b>		
	Water consumption and water supply according to local constraints;	303-1	2.5.2 'Water consumption and wastewater discharges' (p. 25)
	Consumption of raw materials and measures taken to improve the efficiency of their use;	301-1	4.4 'Subcontracting and suppliers' (p. 50)
	Direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energies.	103, 302-1, 302-4	2.5.1 'Power consumption' (p. 24)
	<b>Climate Change</b>		
	The significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces;	103-2, 305-1, 305-2	2.3 'Climate change and greenhouse gas emissions' (p. 19)
	Measures taken to adapt to the consequences of climate change;	103-2	
	The reduction targets voluntarily established in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose.	103-2	
	<b>Biodiversity protection</b>		
	Measures taken to preserve or restore biodiversity;	103-2	2.6 'Waste management, eco-design and biodiversity' (p.26)
	Impacts caused by activities or operations in protected areas.	Not applicable	
Social issues and concerning personnel	<b>Employment</b>		
	Total number and distribution of employees by gender, age, country and job classification;	103-2, 102-8, 405-1 regarding to employees by	3.7 'Employment: headcount and distribution ' (p. 39)

Area	Content	Related GRI Standards	Reference to Statement of Non-Financial Information (page no.)
		category, gender and age	
	Total number and distribution of employment contracts,	102-8 regarding to employees by category, gender and age	3.7 'Employment: headcount and distribution ' (p. 39)
	Average annual number of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification,	102-8	3.7 'Employment: headcount and distribution ' (p. 39)
	Number of dismissals by gender, age and professional classification;	103-2	3.8 'Layoffs by gender, age and occupational classification/country' (p. 41)
	Average remunerations and their evolution disaggregated by gender, age and professional classification or equal value; Wage gap, the remuneration of equal or average jobs in society,	103-2, 405-2 regarding to wage of women compared to men by professional category	3.4 'Remuneration, integration and equality ' (p. 35)
	The average remuneration of directors and executives, including variable remuneration, allowances, indemnities, payments to long-term savings schemes and any other payments broken down by gender,	103-2	3.4 'Remuneration, integration and equality ' (p. 35)
	Implementation of work disconnection policies,	103-2	3.5 'Work organisation' (p. 37)
	Employees with disabilities.	103-2, 405-1 regarding to diversity indicators	3.9 'Access for people with disabilities' (p. 41)
	<b>Work organisation</b>		
	Organisation of working time	103-2	3.5 'Work organisation' (p. 37)
	Number of absence hours	103-2	3.10 'Absenteeism' (p. 41)
	Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these rights by both parents.	103-2	3.5 'Work organisation' (p. 37)
	<b>Health and safety</b>		
	Health and safety conditions at work;	103-2, 403-1	3.11 'Health and safety' (p. 42)
	Occupational accidents, in particular their frequency and seriousness, Occupational diseases, disaggregated by gender.	403-9 regarding to accidents' number and rate 403-10 regarding to cases of occupational diseases and illnesses	3.11.2 'Accidents at work' (p. 43)
	<b>Social relationships</b>		
	Organisation of social dialogue, including procedures for informing, consulting and negotiating with employees;	103-2	3.6 'Social relationships' (p. 38)
	Percentage of employees covered by collective agreement by country;	102-41	
	The balance of collective agreements, particularly in the field of health and safety at work.	403-4	3.11.4 'Worker participation and consultation' (p. 46)
	<b>Training</b>		
	The policies implemented in the area of training;	404-2	3.3 'Training and talent' (p. 32)
	The total number of training hours per professional category.	404-1	
	<b>Universal accessibility for people with disabilities</b>	103-2	3.9 'Access for people with disabilities' (p. 41)
	<b>Equality</b>		
	Measures taken to promote equal treatment and opportunities for women and men;	103-2	3.4 'Remuneration, integration and equality ' (p. 35)
	Equality plans (Chapter III of Organic Law 3/2007, of 22 March, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities;	103-2	
	The policy against all types of discrimination and, where appropriate, diversity management.	103-2	3.4 'Remuneration, integration and equality ' (p. 35) 4.1 'Respect for human rights' (p. 46)
<b>Human rights</b>	Implementation of human rights due diligence procedures Prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses;	103-2, 102-16, 102-17	4.1 'Respect for human rights' (p. 46)
	Complaints of human rights violations;	103-2, 406-1 regarding to number of discrimination cases	
	Promotion and enforcement of the provisions of the core conventions of the International Labour Organisation related	407-1 regarding to policies adopted by the company	

Area	Content	Related GRI Standards	Reference to Statement of Non-Financial Information (page no.)
	to respect for freedom of association and the right to collective bargaining;		
	The elimination of discrimination in respect of employment and occupation;	103-2	
	The elimination of forced or compulsory labour;	409-1 regarding to policies adopted by the company	
	The effective abolition of child labour.	408-1 regarding to policies adopted by the company	
Corruption and bribery	Measures taken to prevent corruption and bribery;	103-2, 102-16, 102-17, 205-3	1.6 'Prevention of and fight against money laundering' (p. 14)
	Measures to combat money laundering,	205-2	
	Contributions to foundations and non-profit entities.	102-13 201-1 regarding to contributions to the community	
Social issues	Company commitments to sustainable development		
	The impact of the company's activity on employment and local development;	103-2	4.3 'Commitments to sustainable development' (p. 47)
	The impact of the company's activity on local populations and in the territory;	103-2	
	The relations maintained with local community actors and the modalities of dialogue with them;	102-43	
	Partnership or sponsorship actions.	102-12, 102-13	
	Subcontracting and suppliers		
	The inclusion of social, gender equality and environmental issues in the procurement policy;	103-2, 102-9	4.4 'Subcontracting and suppliers' (p. 50)
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility;		
	Monitoring systems and audits and their results.	103-2	
	Consumers		
	Measures for the health and safety of consumers;	103-2	4.6.2 'Pharmacovigilance Systems' (p. 56)
	Complaint systems, complaints received and their resolution.	103-2	4.6.1 'Quality Systems' (p. 55)
	Tax information		
	Earnings obtained on a country-by-country basis;	103-2	4.5 'Group tax information' (p. 52)
Taxes on profits paid			
Public subsidies received	201-4 regarding to subsidies	1.6 'Prevention of and fight against money laundering' (p. 14)	

**INFORME ANUAL DE GOBIERNO CORPORATIVO  
DE LAS SOCIEDADES ANÓNIMAS COTIZADAS**

**DATOS IDENTIFICATIVOS DEL EMISOR**

FECHA FIN DEL EJERCICIO DE REFERENCIA

31/12/21

C.I.F. A-58-869.389

Denominación Social: ALMIRALL, S.A.

Domicilio Social: Ronda General Mitre 151, Barcelona

# INFORME ANUAL DE GOBIERNO CORPORATIVO DE LAS SOCIEDADES ANONIMAS COTIZADAS

## A ESTRUCTURA DE LA PROPIEDAD

A.1 Complete el siguiente cuadro sobre el capital social y los derechos de voto atribuidos, incluidos, en su caso, los correspondientes a las acciones con voto por lealtad, a la fecha de cierre del ejercicio:

Indique si los estatutos de la sociedad contienen la previsión de voto doble por lealtad:

No ☒ X

Sí ☐ Fecha de aprobación en junta dd/mm/aaaa

Periodo mínimo de titularidad ininterrumpida exigido por los estatutos

Indique si la sociedad ha atribuido votos por lealtad:

No ☒ X

No ☐

Fecha de última modificación	Capital social (€)	Número de acciones	Número de derechos de voto
03/06/2021	21.573.216,24	179.776.802	179.776.802

Observaciones

Indique si existen distintas clases de acciones con diferentes derechos asociados:

Sí ☐ No ☒ X

Clase	Número de acciones	Nominal unitario	Número unitario de derechos de voto	Derechos y obligaciones que confiere

Observaciones

A.2 Detalle los titulares directos e indirectos de participaciones significativas a la fecha de cierre del ejercicio, incluidos los consejeros que tengan una participación significativa:

Nombre o denominación social del accionista	% derechos de voto atribuidos a las acciones		% derechos de voto a través de instrumentos financieros		% total de derechos de voto
	Directo	Indirecto	Directo	Indirecto	
Grupo Plafin, S.A.	40,89				40,89



Grupo Corporativo Landon S.L.	18,79				18,79
Wellington Management Group LLP	5,052				5,052

Observaciones
Los consejeros Don Jorge Gallardo Ballart, Don Antonio Gallardo Torrededia y Don Carlos Gallardo Piqué, todos ellos dominicales, tienen vínculos con Grupo Plafin, S.A.y Grupo Corporativo Landon, S.L.

Detalle de la participación indirecta:

Nombre o denominación social del titular indirecto	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones	% derechos de voto a través de instrumentos financieros	% total de derechos de voto	Del número total de derechos de voto atribuidos a las acciones, indique, en su caso, los votos adicionales atribuidos que corresponden a las acciones con voto por lealtad

Observaciones

Indique los movimientos en la estructura accionarial más significativos acaecidos durante el ejercicio:

Wellington Management Group LLP		Supera el 5%

Movimientos más significativos
Wellington Management Group LLP superó el umbral del 5% de participación en el capital social

A.3 Detalle, cualquiera que sea el porcentaje, la participación al cierre de ejercicio de los miembros del consejo de administración que sean titulares de derechos de voto atribuidos a acciones de la sociedad o a través de instrumentos financieros, excluidos los consejeros que se hayan identificado en el apartado A.2, anterior:

Nombre o denominación social del consejero	% derechos de voto atribuidos a las acciones		% derechos de voto a través de instrumentos financieros		% total de derechos de voto	Del % total de derechos de voto atribuidos a las acciones, indique, en su caso, el % de los votos adicionales atribuidos que corresponden a las acciones con voto por lealtad	
	Directo	Indirecto	Directo	Indirecto		Directo	Indirecto
Dr. Jorge Gallardo Ballart		59,68			59,68		
D. Antonio Gallardo Torrededía	0,0001				0,0001		
D. Carlos Gallardo Piqué	0,0005				0,0005		
D. Enrique De Leyva Pérez		0,01			0,01		

% total de derechos de voto en poder del consejo de administración	59,69
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Observaciones

Detalle de la participación indirecta:

Nombre o denominación social del consejero	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones	% derechos de voto a través de instrumentos financieros	% total de derechos de voto	Del % total de derechos de voto atribuidos a las acciones, indique, en su caso, el % de los votos adicionales atribuidos que corresponden a las acciones con voto por lealtad

Dr. Jorge Gallardo Ballart	Grupo Plafin, S.A. unip	40,89		40,89	
Dr. Jorge Gallardo Ballart	Grupo Corporativo Landon, S.L.	18,79		18,79	
D. Enrique De Leyva Pérez	Isistu, SCR, SA	0,01		0,01	

<b>Observaciones</b>

Detalle el porcentaje total de derechos de voto representados en el consejo:

<b>% total de derechos de voto representados en el consejo de administración:</b>
59,69

<b>Observaciones</b>

A.4 Indique, en su caso, las relaciones de índole familiar, comercial, contractual o societaria que existan entre los titulares de participaciones significativas, en la medida en que sean conocidas por la sociedad, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario, excepto las que se informen en el apartado A.6:

<b>Nombre o denominación social relacionados</b>	<b>Tipo de relación</b>	<b>Breve descripción</b>
Grupo Plafin, S.A. unip	Societaria	D. Jorge y D. Antonio Gallardo Ballart controlan tanto la citada compañía como Grupo Corporativo Landon, S.L.
Grupo Corporativo Landon, S.L.	Societaria	D. Jorge y D. Antonio Gallardo Ballart controlan tanto la citada compañía como Grupo Plafin, S.A. unip

A.5 Indique, en su caso, las relaciones de índole comercial, contractual o societaria que existan entre los titulares de participaciones significativas, y la sociedad y/o su grupo, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

<b>Nombre o denominación social relacionados</b>	<b>Tipo de relación</b>	<b>Breve descripción</b>
Grupo Plafin, S.A. unip	Societaria	Tanto Grupo Plafin, S.A. unip como Grupo Corporativo Landon, S.L. son sociedades controladas por D. Jorge y D. Antonio Gallardo Ballart
Grupo Corporativo Landon, S.L.	Societaria	Tanto Grupo Plafin, S.A. unip como Grupo Corporativo Landon, S.L. son sociedades controladas por D. Jorge y D. Antonio Gallardo Ballart

A.6 Describa las relaciones, salvo que sean escasamente relevantes para las dos partes, que existan entre los accionistas significativos o representados en el consejo y los consejeros, o sus representantes, en el caso de administradores persona jurídica.

Explique, en su caso, cómo están representados los accionistas significativos. En concreto, se indicarán aquellos consejeros que hubieran sido nombrados en representación de accionistas significativos, aquellos cuyo nombramiento hubiera sido promovido por accionistas significativos, o que estuvieran vinculados a accionistas significativos y/o entidades de su grupo, con especificación de la naturaleza de tales relaciones de vinculación. En particular, se mencionará, en su caso, la existencia, identidad y cargo de miembros del consejo, o representantes de consejeros, de la sociedad cotizada, que sean, a su vez, miembros del órgano de administración, o sus representantes, en sociedades que ostenten participaciones significativas de la sociedad cotizada o en entidades del grupo de dichos accionistas significativos.

Nombre o denominación social del consejero o representante, vinculado	Nombre o denominación social del accionista significativo vinculado	Denominación social de la sociedad del grupo del accionista significativo	Descripción relación / cargo
D. Jorge Gallardo Ballart	Grupo Plafin, S.A. unip y Grupo Corporativo Landon, S.L.		Presidente
D. Antonio Gallardo Torrededía	Grupo Plafin, S.A. unip y Grupo Corporativo Landon, S.L.		Miembro de la familia que controla a dicho accionista
D. Carlos Gallardo Piqué	Grupo Plafin, S.A. unip y Grupo Corporativo Landon, S.L.		Miembro de la familia que controla a dicho accionista

Observaciones

A.7 Indique si han sido comunicados a la sociedad pactos parasociales que la afecten según lo establecido en los artículos 530 y 531 de la Ley de Sociedades de Capital.

En su caso, descríbalos brevemente y relacione los accionistas vinculados por el pacto:

Sí ☒ No ☐

Intervinientes del pacto parasocial	% de capit al social Afectado	Breve descripción del Pacto	Fecha de vencimiento del pacto, si la tiene

D. Antonio Gallardo Ballart y D. Jorge Gallardo Ballart	59,68	Regula la actuación concertada de sus firmantes en Almirall, S.A. y el ejercicio de los derechos de voto inherentes a su participación indirecta en la Sociedad a través de la sociedad Grupo Plafin, S.A.U., por un lado, y Grupo Corporativo Landon, S.L. (antes Todasa, SAU) de otro.  Su contenido íntegro obra en la web corporativa y en la web de CNMV (nº de registro 81611, de fecha 29-6-07)	
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Observaciones

Indique si la sociedad conoce la existencia de acciones concertadas entre sus accionistas. En su caso, descríbalas brevemente:

Sí ☒ No ☐

Intervinientes acción concertada	% de capital social afectado	Breve descripción del concierto	Fecha de vencimiento del concierto, si la tiene
D. Antonio Gallardo Ballart y D. Jorge Gallardo Ballart	59,68	Véase cuadro anterior y el contenido del pacto parasocial contenido en la web corporativa. La acción concertada tiene que ver con el ejercicio de los derechos de voto y la transmisión de acciones	

Observaciones

En el caso de que durante el ejercicio se haya producido alguna modificación o ruptura de dichos pactos o acuerdos o acciones concertadas, indíquelo expresamente:

A.8 Indique si existe alguna persona física o jurídica que ejerza o pueda ejercer el control sobre la sociedad de acuerdo con el artículo 5 de la Ley del Mercado de Valores. En su caso, identifíquela:

Sí ☒ No ☐

Nombre o denominación social
Grupo Plafin, S.A. unipersonal y Grupo Corporativo Landon, S.L.

Observaciones
Ambas entidades controlan el 59,68% del capital de la compañía, y los accionistas de control de ambas sociedades (D. Jorge y D. Antonio Gallardo Ballart) tienen concertada su actuación en Almirall, S.A. en los términos previstos en el acuerdo entre accionistas de fecha 29 de mayo de 2007

**A.9 Complete los siguientes cuadros sobre la autocartera de la sociedad:**

A fecha de cierre del ejercicio:

Número de acciones directas	Número de acciones indirectas (*)	% total sobre capital social
139.829	2.510.954	1,5%

Observaciones

(\*) A través de:

Nombre o denominación social del titular directo de la participación	Número de acciones directas
Banco Santander	2.510.954
<b>Total:</b>	2.510.954

Observaciones
Equity Swap operado por Banco Santander que puede derivar en autocartera o en liquidación en efectivo. Almirall tiene autorización de la Junta General de Accionistas para adquirir hasta un 5% del capital social de la compañía

**Explique las variaciones significativas habidas durante el ejercicio:**

Explique las variaciones significativas
La variación de las acciones directas está ligada al contrato de liquidez que fue contratado el 4 de marzo de 2019, con el objetivo de favorecer la liquidez y regularidad en la cotización de las acciones de la Sociedad, dentro de los límites establecidos por la Junta General de Accionistas y por la normativa vigente, en particular, la Circular 1/2017, de 26 de abril, de la Comisión Nacional del Mercado de Valores, sobre contratos de liquidez.

**A.10 Detalle las condiciones y plazo del mandato vigente de la junta de accionistas al consejo de administración para emitir, recomprar o transmitir acciones propias.**

Mediante acuerdo de Junta General de Accionistas de fecha 10 de mayo de 2018 se concedió autorización expresa para que la Sociedad y/o sus sociedades filiales que integran su Grupo consolidado puedan adquirir acciones representativas del capital social de la Sociedad mediante cualquier título oneroso admitido en Derecho, dentro de los límites y con los requisitos legales, hasta alcanzar un máximo del número de acciones equivalente al 5% por ciento del capital social existente en cada momento, totalmente desembolsadas, a un precio por acción mínimo del valor nominal y máximo de hasta un 5 por ciento superior al de la última cotización previa a la adquisición de que se trate. Esta autorización sólo podrá ejercitarse dentro del plazo de cinco años contados desde la fecha de celebración de la junta. La autorización incluye la adquisición de acciones que, en su caso, hayan de ser entregadas directamente a los empleados y administradores de la Sociedad como remuneración, incentivo u otro concepto, o como consecuencia del ejercicio de potenciales derechos de opción de que aquéllos fueren titulares.
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A.11 Capital flotante estimado:

	%
Capital Flotante estimado	40

Observaciones
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A.12 Indique si existe cualquier restricción (estatutaria, legislativa o de cualquier índole) a la transmisibilidad de valores y/o cualquier restricción al derecho de voto. En particular, se comunicará la existencia de cualquier tipo de restricciones que puedan dificultar la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado, así como aquellos regímenes de autorización o comunicación previa que, sobre las adquisiciones o transmisiones de instrumentos financieros de la compañía, le sean aplicables por normativa sectorial.

Sí ☐ No ☒

Descripción de las restricciones
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A.13. Indique si la junta general ha acordado adoptar medidas de neutralización frente a una oferta pública de adquisición en virtud de lo dispuesto en la Ley 6/2007.

Sí ☐ No ☒

En su caso, explique las medidas aprobadas y los términos en que se producirá la ineficiencia de las restricciones:

Explique las medidas aprobadas y los términos en que se producirá la ineficiencia
---

A.14 Indique si la sociedad ha emitido valores que no se negocian en un mercado regulado de la Unión Europea.

Sí ☐ No ☒

En su caso, indique las distintas clases de acciones y, para cada clase de acciones, los derechos y obligaciones que confiera.

Indique las distintas clases de acciones
--

**B JUNTA GENERAL**

B.1 Indique y, en su caso detalle, si existen diferencias con el régimen de mínimos previsto en la Ley de Sociedades de Capital (LSC) respecto al quórum de constitución de la junta general.

Sí ☐ No ☒

	% de quórum distinto al establecido en art. 193 LSC para supuestos generales	% de quórum distinto al establecido en art. 194 LSC para los supuestos especiales del art. 194 LSC
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<b>Quórum exigido en 1ª convocatoria</b>		
<b>Quórum exigido en 2ª convocatoria</b>		

<b>Descripción de las diferencias</b>

B.2 Indique y, en su caso, detalle si existen diferencias con el régimen previsto en la Ley de Sociedades de Capital (LSC) para la adopción de acuerdos sociales:

Sí ☐ No ☒

Describa en qué se diferencia del régimen previsto en la LSC.

	<b>Mayoría reforzada distinta a la establecida en el artículo 201.2 LSC para los supuestos del 194.1 LSC</b>	<b>Otros supuestos de mayoría Reforzada</b>
<b>% establecido por la entidad para la adopción de acuerdos</b>		

<b>Descripción de las diferencias</b>

B.3 Indique las normas aplicables a la modificación de los estatutos de la sociedad. En particular, se comunicarán las mayorías previstas para la modificación de los estatutos, así como, en su caso, las normas previstas para la tutela de los derechos de los socios en la modificación de los estatutos.

Además de lo dispuesto en los arts. 285 y siguientes y concordantes de la LSC y otra normativa societaria aplicable, deben tenerse en cuenta las siguientes disposiciones estatutarias y reglamentarias:

#### **Estatutos sociales**

Artículo 27.- La Junta General, ordinaria o extraordinaria, quedará válidamente constituida, en primera convocatoria, cuando los accionistas presentes o representados, posean al menos el veinticinco por ciento del capital suscrito con derecho a voto, y en segunda convocatoria, quedará válidamente constituida cualquiera que sea el capital concurrente.

Sin embargo, para que la Junta General, ordinaria o extraordinaria, pueda acordar válidamente la emisión de obligaciones, el aumento o la disminución del capital, la transformación, fusión o escisión de la Sociedad y, en general, cualquier modificación de los estatutos sociales, será necesaria, en primera convocatoria, la concurrencia de accionistas presentes o representados que posean, al menos, el cincuenta por ciento del capital suscrito con derecho a voto. En segunda convocatoria será suficiente el veinticinco por ciento de dicho capital.

Los accionistas con derecho de asistencia que emitan su voto a distancia de conformidad con lo previsto en el art. 32 siguiente serán considerados como presentes a los efectos de la constitución de la Junta General de que se trate.

Las ausencias que se produzcan una vez constituida la Junta General no afectarán a la validez de su celebración.

#### **Reglamento de la Junta General**

Artículo 5g.- La Junta General tiene competencia para decidir sobre todas las materias que le hayan sido atribuidas legal o estatutariamente. Asimismo, se someterán a la aprobación o ratificación de la Junta General de Accionistas



aquellas decisiones que, cualquier que sea su naturaleza jurídica, entrañen una modificación esencial de la actividad efectiva de la Sociedad. En particular, y a título meramente ilustrativo, le corresponde: g) Acordar la fusión, escisión y transformación de la Sociedad y, en general, cualquier modificación de los Estatutos Sociales.

Artículo 15.- La Junta General quedará válidamente constituida, en primera convocatoria, cuando los accionistas, presentes o representados, posean, al menos, el veinticinco por ciento del capital suscrito con derecho a voto. En segunda convocatoria será válida la constitución cualquiera que sea el capital concurrente a la misma.

Para que la Junta General, Ordinaria o Extraordinaria, pueda acordar válidamente la emisión de obligaciones, el aumento o la disminución del capital, la transformación, fusión o escisión y la disolución y liquidación de la Sociedad y, en general, cualquier modificación de los Estatutos Sociales, será necesario, en primera convocatoria, la concurrencia de accionistas, presentes o representados, que posean, al menos, el cincuenta por ciento del capital suscrito con derecho a voto. En segunda convocatoria, será suficiente la concurrencia del veinticinco por ciento de dicho capital, si bien, cuando concurren accionistas que representen menos del cincuenta por ciento del capital suscrito con derecho a voto, los acuerdos a que se refiere el presente párrafo, sólo podrán adoptarse válidamente con el voto favorable de los dos tercios del capital presente o representado de la Junta General.

Las ausencias que se produzcan una vez constituida la Junta General no afectarán a la validez de su celebración.

Artículo 25.- Una vez finalizadas las intervenciones de los accionistas y facilitadas, en su caso, las informaciones o aclaraciones conforme a lo previsto en este Reglamento, se someterán a votación las propuestas de acuerdos sobre los asuntos comprendidos en el orden del día y, en caso de existir, sobre aquellos otros que, por mandato legal, no sea preciso que figuren en él, correspondiendo al Presidente en relación con estos últimos decidir el orden en que se someterán a votación.

No será necesario que el Secretario dé lectura previa a aquellas propuestas de acuerdo cuyos textos hubiesen sido facilitados a los accionistas al comienzo de la sesión, salvo cuando, para todas o alguna de las propuestas, así lo solicite cualquier accionista o, de otro modo, se considere conveniente por el Presidente. En todo caso, se indicará a los asistentes el punto del orden del día al que se refiere la propuesta de acuerdo que se somete a votación.

La Junta General votará separadamente aquellos asuntos que sean sustancialmente independientes, a fin de que los accionistas puedan ejercer de forma separada sus preferencias de voto. Dicha regla se aplicará, en todo caso: (i) al nombramiento, la ratificación, la reelección y la separación de cada administrador, que deberán votarse de forma separada; (ii) en el caso de modificaciones de Estatutos, a cada artículo o grupo de artículos que tengan autonomía propia.

El proceso de adopción de acuerdos se desarrollará siguiendo el orden del día previsto en la convocatoria. En primer lugar se someterán a votación las propuestas de acuerdo que en cada caso haya formulado el Consejo de Administración. En todo caso, aprobada una propuesta de acuerdo, decaerán automáticamente todas las demás relativas al mismo asunto que sean incompatibles con ella, sin que, por tanto, proceda someterlas a votación.

Por regla general y sin perjuicio de que, a juicio del Presidente, atendidas las circunstancias o la naturaleza o contenido de la propuesta, puedan emplearse otros sistemas alternativos, el cómputo de la votación de las propuestas de acuerdos se efectuará mediante el siguiente procedimiento:

- i. Se considerarán votos a favor los correspondientes a todas las acciones concurrentes a la reunión, presentes y representadas, deducidos (a) los votos correspondientes a las acciones cuyos titulares o representantes manifiesten que votan en contra, votan en blanco o se abstienen, mediante la comunicación o expresión de su voto o abstención al notario (o, en su defecto, al Secretario o al personal que lo asista), para su constancia en acta, (b) los votos correspondientes a las acciones cuyos titulares hayan votado en contra, en blanco o hayan manifestado expresamente su abstención, a través de los medios de comunicación a que se refiere el presente artículo, en su caso, y (c) los votos correspondientes a las acciones cuyos titulares o representantes hayan abandonado la reunión con anterioridad a la votación de la propuesta de acuerdo de que se trate y hayan dejado constancia de tal abandono ante el Notario (o, en su defecto, el Secretario o al personal que asista).
- ii. Las comunicaciones o manifestaciones al notario (o, en su defecto, al Secretario o al personal que lo asista) previstas en el párrafo precedente y relativas al sentido del voto o abstención podrán realizarse individualizadamente respecto de cada una de las propuestas de acuerdos o conjuntamente para varias o para todas ellas, expresando al notario (o, en su defecto, al Secretario o al personal que lo asista) la identidad y condición -accionista o representante- de quien las realiza, el número de acciones a que se refieren y el sentido del voto o, en su caso, la abstención.
- iii. Para la adopción de acuerdos relativos a asuntos no comprendidos en el orden del día, no se considerarán como acciones concurrentes presentes, ni tampoco representadas, las de aquellos accionistas que hubieren participado en la Junta General a través de medios de votación a distancia. Para la adopción de alguno de los acuerdos a que se refiere el artículo 526 de la Ley de Sociedades de Capital, no se considerarán como representadas, ni tampoco

como presentes, aquellas acciones respecto de las cuales no se pueda ejercitar el derecho de voto por aplicación de lo establecido en dicho precepto.

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B.4 Indique los datos de asistencia en las juntas generales celebradas en el ejercicio al que se refiere el presente informe y los de los dos ejercicios anteriores:

	Datos de asistencia				
Fecha junta general	% de presencia física	% en representación	% voto a distancia		Total
			Voto electrónico	Otros	
18/06/21	1,241	76,174			77,415
07/05/21	1,007	80,183			81,191
24/07/20	0,259	81,791			82,05
08/05/19	0,348	84,475			84,823
De los que Capital flotante:	1,007	20,383			21,39

Observaciones
A todas las antedichas Juntas Generales asistieron debidamente representados los accionistas Grupo Plafin, S.A. y Grupo Corporativo Landon, S.L., titulares hoy de aproximadamente un 60% del capital social de la compañía en cada una de ellas y anteriormente de un 66,30% aproximadamente. De ahí las estimaciones de capital flotante.

B.5 Indique si en las juntas generales celebradas en el ejercicio ha habido algún punto del orden del día que, por cualquier motivo, no haya sido aprobado por los accionistas.

Sí ☐ No ☒

Puntos del orden del día que no se han aprobado	% voto en contra (*)

(\*) Si la no aprobación del punto es por causa distinta del voto en contra, se explicará en la parte de texto y en la columna de “% voto en contra” se pondrá “n/a”.

B.6 Indique si existe alguna restricción estatutaria que establezca un número mínimo de acciones necesarias para asistir a la junta general, o para votar a distancia:

Sí ☐ No ☒

Número de acciones necesarias para asistir a la junta general	
Número de acciones necesarias para votar a distancia	

Observaciones

B.7 Indique si se ha establecido que determinadas decisiones, distintas a las establecidas por Ley, que entrañan una adquisición, enajenación, la aportación a otra sociedad de activos esenciales u otras operaciones corporativas similares, deben ser sometidas a la aprobación de la junta general de accionistas.

Sí ☐ No ☒

Explicación de las decisiones que se deben someter a la junta, distintas a las establecidas por Ley

B.8 Indique la dirección y modo de acceso a la página web de la sociedad, a la información sobre gobierno corporativo y otra información sobre las juntas generales que deba ponerse a disposición de los accionistas a través de la página web de la Sociedad.

La dirección de la página web corporativa es [www.almirall.com](http://www.almirall.com), y el acceso al contenido de gobierno corporativo se realiza mediante la siguiente ruta: <http://www.almirall.es/es/inversores/> a la cual se accede clickando, desde la página principal de la web, el link “Inversores” y posteriormente, en la página que aparece, el link “Gobierno Corporativo”

## C ESTRUCTURA DE LA ADMINISTRACIÓN DE LA SOCIEDAD

### C.1 Consejo de Administración

C.1.1 Número máximo y mínimo de consejeros previstos en los estatutos sociales y el número fijado por la junta general:

Número máximo de consejeros	15
Número mínimo de consejeros	5
Número de consejeros fijado por la junta	13

Observaciones

C.1.2 Complete el siguiente cuadro con los miembros del consejo:

Nombre o denominación social del consejero	Representante	Categoría del consejero	Cargo en el consejo	Fecha primer nombramiento	Fecha último nombramiento	Procedimiento de elección	Fecha de nacimiento
Dr. Jorge Gallardo Ballart		Externo Dominical	Presidente	30-6-97	7-5-21	Nombrado por la Junta General	26.09.41
D <sup>a</sup> Karin Dorrepaal		Independiente	Vocal	1-1-13	7-5-21	Nombrada por la Junta General	06.03.61
Sir Tom McKillop		Externo	Vicepresidente 1º	29-5-07	7-5-21	Nombrado por la Junta General	19.03.43
D. Enrique De Leyva Pérez		Independiente	Vocal	22-2-19	7-5-21	Nombrado por la Junta General	16.12.59

D. Gerhard Mayr		Independiente	Vocal	19-10-12	7-5-21	Nombrado por la Junta General	05.12.46
D. Antonio Gallardo Torrededía		Externo dominical	Vocal	25-7-14	7-5-21	Nombrado por la Junta General	02.12.66
D. Carlos Gallardo Piqué		Externo Dominical	Vicepresidente 2º	25-7-14	7-5-21	Nombrado por la Junta General	03.06.72
Dr. Seth J. Orlow		Independiente	Vocal	6-5-16	7-5-21	Nombrado por la Junta General	23.12.58
Dª Georgia Garinois - Melenikiotou		Independiente	Vocal	1-7-16	7-5-21	Nombrada por la Junta General	06.07.59
Dª Alexandra B. Kimball		Independiente	Vocal	24-7-20	7-5-21	Nombrada por la Junta General	21-10-68
Dª Eva-Lotta Coulter		Independiente	Vocal	24-7-20	7-5-21	Nombrada por la Junta General	20-7-59
D. Ruud Dobber		Independiente	Vocal	18-6-21		Nombrado por la Junta General	8-11-64
D. Gianfranco Nazzi		Ejecutivo	Vocal y Consejero Delegado	1-5-21	7-5-21	Nombrado por cooptación y posteriormente ratificado por la Junta General	30-6-68

Número total de consejeros	13
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Indique los ceses que, ya sea por dimisión o por acuerdo de la junta general, se hayan producido en el consejo de administración durante el periodo sujeto a información:

Nombre o denominación social del consejero	Categoría del consejero en el momento de cese	Fecha del último nombramiento	Fecha de baja	Comisiones especializadas de las que era miembro	Indique si la baja se ha producido antes del fin del mandato
Causa de la baja y otras observaciones					

C.1.3 Complete los siguientes cuadros sobre los miembros del consejo y su distinta categoría:

#### **CONSEJEROS EJECUTIVOS**

Nombre o denominación del consejero	Cargo en el organigrama de la sociedad	Perfil
Gianfranco Nazzi	Consejero Delegado	Licenciado en ciencias económicas y bancarias

Número total de consejeros ejecutivos	1
% sobre el total del consejo	7,69

Observaciones

#### **CONSEJEROS EXTERNOS DOMINICALES**

Nombre o denominación del consejero	Nombre o denominación del accionista significativo a quien representa o que ha propuesto su nombramiento	Perfil
Dr. Jorge Gallardo Ballart	Grupo Plafin, S.A.U	Doctor en Ingeniería Industrial por la Escuela Técnica Superior de Ingeniería Industrial de Barcelona
D. Antonio Gallardo Torrededía	Grupo Plafin, S.A.U	Diplomado en Ciencias Empresariales por la Universidad de Barcelona y Executive MBA por la University of Chicago
D. Carlos Gallardo Piqué	Grupo Plafin, S.A.U	Licenciado en Ingeniería Industrial por la Universidad Politècnica de Catalunya y MBA por la Universidad de Stanford

Número total de consejeros dominicales	3
% sobre el total del consejo	23,08

Observaciones

### **CONSEJEROS EXTERNOS INDEPENDIENTES**

<b>Nombre o denominación del consejero</b>	<b>Perfil</b>
Dña. Karin Dorrepaal	Doctora en medicina y MBA por la Rotterdam School of Management
D. Enrique De Leyva Pérez	Ingeniero Civil (Escuela de Ingenieros de Madrid) y MBA (Columbia Business School)
D. Gerhard Mayr	Licenciado en ingeniería química (Dipl.Ing.chem.ETH) por el Swiss Federal Institute of Technology, y MBA por la Stanford Graduate School of Business
Dr. Seth J. Orlow	Doctor en medicina
Dña. Georgia Garinois Melenikiotou	Doctora en ingeniería
D <sup>a</sup> AlexandraB. Kimball	Doctora en medicina
D <sup>a</sup> Eva-Lotta Coulter	Licenciada en ciencias naturales y microbiología
D. Ruud Dobber	Master of Science y Doctor en Inmunología

<b>Número total de consejeros independientes</b>	8
<b>% sobre el total del consejo</b>	61,53

<b>Observaciones</b>

Indique si algún consejero calificado como independiente percibe de la sociedad, o de su mismo grupo, cualquier cantidad o beneficio por un concepto distinto de la remuneración de consejero, o mantiene o ha mantenido, durante el último ejercicio, una relación de negocios con la sociedad o con cualquier sociedad de su grupo, ya sea en nombre propio o como accionista significativo, consejero o alto directivo de una entidad que mantenga o hubiera mantenido dicha relación.

En su caso, se incluirá una declaración motivada del consejo sobre las razones por las que considera que dicho consejero puede desempeñar sus funciones en calidad de consejero independiente.

<b>Nombre o denominación social del consejero</b>	<b>Descripción de la relación</b>	<b>Declaración motivada</b>

### **OTROS CONSEJEROS EXTERNOS**

Se identificará a los otros consejeros externos y se detallarán los motivos por los que no se puedan considerar dominicales o independientes y sus vínculos, ya sea con la sociedad, sus directivos, o sus accionistas:

<b>Nombre o denominación social del consejero</b>	<b>Motivos</b>	<b>Sociedad, directivo o accionista con el que mantiene el vínculo</b>	<b>Perfil</b>
Sir Tom McKillop			Licenciado y

			Doctor en químicas
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Número total de consejeros externos	1
% sobre el total del consejo	7,69

Observaciones
Tras agotarse el periodo máximo de 12 años como consejero independiente, Sir McKillop pasó a la categoría de externo.

Indique las variaciones que, en su caso, se hayan producido durante el periodo en la categoría de cada consejero:

Nombre o denominación social del consejero	Fecha del cambio	Categoría anterior	Categoría actual

Observaciones

C.1.4 Complete el siguiente cuadro con la información relativa al número de consejeras al cierre de los últimos 4 ejercicios, así como la categoría de tales consejeras:

	Número de consejeras				% sobre el total de consejeros de cada categoría			
	Ejercicio t	Ejercicio t-1	Ejercicio t-2	Ejercicio t-3	Ejercicio T	Ejercicio t-1	Ejercicio t-2	Ejercicio t-3
Ejecutivas	0	0	0	0	0	0	0	0
Dominicales	0	0	0	0	0	0	0	0
Independientes	4	4	2	2	50	50	18,18	18,18
Otras Externas	0	0	0	0	0	0	0	0
<b>Total:</b>	4	4	2	2	50	50	18,18	18,18

Observaciones

C.1.5 Indique si la sociedad cuenta con políticas de diversidad en relación con el consejo de administración de la empresa por lo que respecta a cuestiones como, por ejemplo, la edad, el género, la discapacidad, o la formación y experiencia profesionales. Las entidades pequeñas y medianas, de acuerdo con la definición contenida en la Ley de Auditoría de Cuentas, tendrán que informar, como mínimo, de la política que tengan establecida en relación con la diversidad de género.

Sí ☒

No ☐

Políticas parciales ☐

En caso afirmativo, describa estas políticas de diversidad, sus objetivos, las medidas y la forma en que se ha aplicado y sus resultados en el ejercicio. También se deberán indicar las medidas concretas adoptadas por el consejo de administración y la comisión de nombramientos y retribuciones para conseguir una presencia equilibrada y diversa de consejeros.

En caso de que la sociedad no aplique una política de diversidad, explique las razones por las cuales no lo hace.

**Descripción de las políticas, objetivos, medidas y forma en que se han aplicado, así como los resultados obtenidos**

De conformidad con lo establecido al respecto en las recomendaciones de Buen Gobierno Corporativo aprobadas por CNMV en 2015, el 6 de noviembre de 2015 el Consejo de Administración procedió a modificar el art. 17.3 de su Reglamento, con la siguiente redacción: *El Consejo de Administración aprobará una política de selección de consejeros que sea concreta y verificable, asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las necesidades de dicho Consejo y favorezca la diversidad de conocimientos, experiencias y género. El resultado del análisis previo de las necesidades del consejo de administración se recogerá en el informe justificativo de la Comisión de Nombramientos y Retribuciones que se publique al convocar la junta general de accionistas a la que se someta la ratificación, el nombramiento o la reelección de cada consejero. La política de selección de consejeros promoverá e intentará alcanzar el objetivo de que en el año 2020 el número de consejeras represente, al menos, el 30% del total de miembros del consejo de administración. La Comisión de Nombramientos y Retribuciones verificará anualmente el cumplimiento de la política de selección de consejeros y se informará de ello en el informe anual de gobierno corporativo.* Asimismo, procedió a aprobar una política de selección de consejeros, que entre otros aspectos recogía lo establecido en la parte final del anterior artículo reglamentario, y cuyos criterios generales eran los siguientes: favorecer la diversidad de conocimientos, experiencias y género, por lo que el informe justificativo emitido por la sociedad contendrá la debida valoración expresa de dichos elementos.

Al objeto de adaptar dicho artículo a lo establecido en las recomendaciones de Buen Gobierno Corporativo aprobadas por CNMV en 2020, el Consejo de Administración acordó modificarlo de nuevo en noviembre de 2020, de forma que en la actualidad, el artículo 17.3 del Reglamento del Consejo tiene el siguiente tenor: *El Consejo de Administración aprobará una política de selección de consejeros dirigida a favorecer una composición apropiada del Consejo que sea concreta y verificable, asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las competencias requeridas por dicho Consejo y favorezca la diversidad de conocimientos, experiencias, edad y género. El resultado del análisis previo de las competencias requeridas por el consejo de administración se recogerá en el informe justificativo de la Comisión de Nombramientos y Retribuciones que se publique al convocar la junta general de accionistas a la que se someta la ratificación, el nombramiento o la reelección de cada consejero. La política de selección de consejeros promoverá e intentará alcanzar el objetivo de que antes de que finalice el año 2022, el número de consejeras represente, al menos, el 40% del total de miembros del consejo de administración, y de que con anterioridad no sea inferior al 30%. La Comisión de Nombramientos y Retribuciones verificará anualmente el cumplimiento de la política de selección de consejeros y se informará de ello en el informe anual de gobierno corporativo.* Asimismo, se modificó en noviembre de 2020 la Política de Selección de Consejeros en consecuencia. En todo caso, deberá tenerse en cuenta la composición equilibrada del Consejo como elemento relevante adicional, valorando en extremo el perfil profesional y biográfico del candidato o candidata, así como su trayectoria profesional y personal previa.

- C.1.6 Explique las medidas que, en su caso, hubiese convenido la comisión de nombramientos para que los procedimientos de selección no adolezcan de sesgos implícitos que obstaculicen la selección de consejeras, y que la compañía busque deliberadamente e incluya entre los potenciales candidatos, mujeres que reúnan el perfil profesional buscado y que permita alcanzar una presencia equilibrada de mujeres y hombres. Indique también si entre estas medidas está la de fomentar que la compañía cuente con un número significativo de altas directivas:

**Explicación de las medidas**



Adicionalmente a lo expuesto en el anterior apartado C.1.5, debe afirmarse que durante los procesos de búsqueda de consejeros, la Sociedad vela para que éstos no adolezcan de sesgos implícitos que obstaculicen la selección de mujeres. En todo caso, tal como establece el artículo 14.2 del Reglamento del Consejo de Administración, la Comisión de Nombramientos y Retribuciones informará al Consejo sobre las cuestiones de diversidad de género y cualificaciones de consejeros.

El Consejo de Administración acordó la constitución de la Comisión de Nombramientos y Retribuciones el día 29 de mayo de 2007. En los procedimientos de selección de miembros del Consejo de Administración anteriores y posteriores a la constitución de la Comisión de Nombramientos y Retribuciones, el mérito de los candidatos ha sido el criterio que ha imperado en la elección de los mismos.

La compañía se marcó como uno de los objetivos principales de la política de selección de consejeros que para el año 2020, el 30% del total de miembros del Consejo de Administración deba estar formado por mujeres, hito que consiguió en julio de 2020 al nombrar a las Sras. Kimball y Coulter como consejeras. Ello confirma que tanto la Comisión de Nombramientos y Retribuciones, como en su momento el propio Consejo, tiene en cuenta en el análisis de propuestas correspondiente la identificación de candidatas que cumplieren los requisitos de conocimientos y experiencia aplicables a la selección en cuestión.

Cuando a pesar de las medidas que, en su caso, se hayan adoptado, sea escaso o nulo el número de consejeras o altas directivas, explique los motivos que lo justifiquen.

Explicación de los motivos

- C.1.7 Explique las conclusiones de la comisión de nombramientos sobre la verificación del cumplimiento de la política dirigida a favorecer una composición apropiada del consejo de administración.

La Comisión de Nombramientos y Retribuciones ha verificado el cumplimiento de la política de selección de consejeros, siendo el resultado de dicha verificación satisfactorio.

- C.1.8 Explique, en su caso, las razones por las cuales se han nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial es inferior al 3% del capital:

Nombre o denominación social del accionista	Justificación
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Indique si no se han atendido peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial es igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales. En su caso, explique las razones por las que no se hayan atendido:

Sí ☐ No ☒

Nombre o denominación social del accionista	Explicación

C.1.9 Indique, en el caso de que existan, los poderes y las facultades delegadas por el consejo de administración incluyendo los relativos a la posibilidad de emitir o recomprar acciones, en consejeros o en comisiones del consejo:

Nombre o denominación social del consejero o comisión	Breve descripción
Gianfranco Nazzi	Tiene delegadas una serie de facultades que obran en la escritura de su designación como consejero delegado, inscrita en el Registro Mercantil.

C.1.10 Identifique, en su caso, a los miembros del consejo que asuman cargos de administradores, representantes de administradores o directivos en otras sociedades que formen parte del grupo de la sociedad cotizada:

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?

Observaciones

C.1.11 Detalle los cargos de consejero, administrador o director, o representantes de los mismos, que desempeñen los consejeros o representantes de consejeros miembros del consejo de administración de la sociedad en otras entidades, se traten o no de sociedades cotizadas:

<b>Identificación del consejero o representante</b>	<b>Denominación social de la entidad, cotizada o no</b>	<b>Cargo</b>
D. Enrique De Leyva Pérez	Indra	Consejero y Presidente de la Comisión de Auditoría
Ms. Eva-Lotta Coulter	C4X Discovery	Presidente del Consejo y miembro de la Comisión de Nombramientos
Ms. Eva-Lotta Coulter	Draupnir Bio	Presidente del Consejo y miembro de las Comisiones de Auditoría y Remuneraciones
Dña. Eva-Lotta Coulter	Aleta Biotherapeutics	Consejera no ejecutiva
Dña. Eva-Lotta Coulter	Crescendo Biologics	Consejera no ejecutiva
Dña. Eva-Lotta Coulter	Targovax ASA	Consejera no ejecutiva y miembro del R&D Subcommittee
D. Ruud Dobber	Alexion	Director
Dña. Georgia Garinois-Melenikiotou	Natura & Co	Consejera
Dña. Georgia Garinois-Melenikiotou	Inspire Medical	Consejera
Dña. Georgia Garinois-Melenikiotou	Pulmonx	Consejera y Presidente de la Comisión de Nombramientos y Governance
Dña. Alexandra B. Kimball	Beth Israel Deaconess Medical Center	Consejera
Dña. Alexandra B. Kimball	Beth Israel Lahey Health	Consejera
D. Jorge Gallardo Ballart	Grupo Plafin, S.A.	Consejero

D. Jorge Gallardo Ballart	Grupo Corporativo Landon, S.L.	Consejero
D. Jorge Gallardo Ballart	Corporación Zamap, S.L.	Consejero
D. Jorge Gallardo Ballart	Maxelpa, S.L.	Administrador
D. Carlos Gallardo Piqué	Corporación Zamap, S.L.	Consejero
D. Carlos Gallardo Piqué	Caleta XXI, S.L.	Representante ex art. 143 RRM del consejero Surcogan, S.L.
D. Carlos Gallardo Piqué	Surcogan, S.L.	Administrador
D. Carlos Gallardo Piqué	S. Biomedic, NV	Representante consejero CG Health Ventures, S.L.
D. Carlos Gallardo Piqué	Zentro Yoga Project, S.L.	Representante consejero Latitud 41, S.L.
D. Antonio Gallardo Torrededía	Corporación Genbad, S.L.	Consejero
D. Antonio Gallardo Torrededía	Landon Investments, SCR, SAU	Consejero
D. Antonio Gallardo Torrededía	22@ Business Center, S.L.	Consejero
D. Antonio Gallardo Torrededía	Ruarti XXI, S.L.	Representante ex art. 143 RRM del consejero Coelium, S.L.
D. Antonio Gallardo Torrededía	Togadia, S.L.	Representante ex art. 143 RRM del administrador Coelium, S.L.
D. Antonio Gallardo Torrededía	Coelium, S.L.	Administrador
D. Antonio Gallardo Torrededía	Tinkle, S.L.	Representante ex art. 143 RRM del consejero Coelium, S.L.
D. Antonio Gallardo Torrededía	Portman Baltic, S.L.	Representante ex art. 143 RRM del consejero Togadia, S.L.

D. Antonio Gallardo Torrededía	Dolarblocker, Inc	Presidente
D. Antonio Gallardo Torrededía	Acornseekers, LLC	Consejero
D. Antonio Gallardo Torrededía	Ibericoninvest, LLC	Consejero
Karin Dorrepaal	Kerry Group, PLC	Consejera
Karin Dorrepaal	Julius Clinical Research, BV	Consejera no ejecutiva
Seth J. Orlow	R2 Technologies, Inc	Consejero
Gerhard Mayr	Aragen Lifesciences	Director no ejecutivo

Observaciones
<p>En relación con D. Jorge Gallardo Ballart, el cargo en Corporación Zamap, S.L. es retribuido. Los restantes indicados en el cuadro anterior no lo son.</p> <p>En relación con D. Antonio Gallardo Torrededía, los cargos en Coelium, S.L. y Corporación Genbad, S.L. son retribuidos. Los restantes indicados en el cuadro anterior no lo son.</p> <p>En relación con D. Carlos Gallardo Piqué, los cargos en Corporación Zamap, S.L. y Surcogan, S.L. y son retribuidos. Los restantes indicados en el cuadro anterior no lo son.</p> <p>En relación con Dña. Alexandra B. Kimball, sus cargos mencionados en el cuadro anterior no son remunerados.</p> <p>En relación con el resto de consejeros distintos de los 4 anteriormente citados, todos sus respectivos cargos arriba indicados son retribuidos.</p> <p>Finalmente, debe indicarse que D. Enrique De Leyva Pérez pertenece asimismo al Consejo de Administración de diversas compañías no cotizadas de los portfolios de private equity de Magnum Capital e Istisu SCR.</p>

Indique, en su caso, las demás actividades retribuidas de los consejeros o representantes de los consejeros cualquiera que sea su naturaleza, distinta de las señaladas en el cuadro anterior

Identificación del consejero o representante	Demás actividades retribuidas
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Karin Dorrepaal	Triton Private Equity partners (miembro del the Triton Industry Board advisory board); Paion AG (Vice Chairman del Supervisory Board y Presidente del HR Committee); Gerresheimer AG, (Miembro del Supervisory Board); van Eeghen Group, (Miembro del Supervisory Board y del Audit Committee); Intravacc BV, (Miembro del Supervisory Board)
Ruud Dobber	AstraZeneca (Vicepresidente ejecutivo, Biopharmaceuticals Business Unit y officer de AZPLP)

Observaciones

C.1.12 Indique y, en su caso explique, si la sociedad ha establecido reglas sobre el número máximo de consejos de sociedades de los que puedan formar parte sus consejeros, identificando, en su caso, dónde se regula:

Sí ☐ No ☒

Explicación de las reglas e identificación del documento donde se regula

C.1.13 Indique los importes de los conceptos relativos a la remuneración global del consejo de administración siguientes:

Remuneración devengada en el ejercicio a favor del consejo de administración (miles de euros)	1683
Importe de los fondos acumulados por los consejeros actuales por sistemas de ahorro a largo plazo con derechos económicos consolidados (miles de euros)	0
Importe de los fondos acumulados por los consejeros actuales por sistemas de ahorro a largo plazo con derechos económicos no consolidados (miles de euros)	0
Importe de los fondos acumulados por los consejeros antiguos por sistemas de ahorro a largo plazo (miles de euros)	0

Observaciones

C.1.14 Identifique a los miembros de la alta dirección que no sean a su vez consejeros ejecutivos, e indique la remuneración total devengada a su

favor durante el ejercicio:

Nombre o denominación social	Cargo/s
D. Eloi Crespo Cervera	Senior Vice President Industrial Operations
D. Joan Figueras Carreras	Corporate Director, General Counsel
D. Paolo Cionini	Executive Vice-president, Chief Commercial Officer Europe & International
D. Pablo Álvarez	President and General Manager of Almirall EE.UU
D. Mike McClellan	Executive Vice-president, Finance and CFO
D. Esteve Conesa Panicot	Vice-president, Human Resources
Dª Francesca Wuttke	Chief Digital Officer
D. Volker Kosciely	Chief Medical Officer
D. Jordi Salvat Filomeno	Internal Audit Director
D. Karl Ziegelbauer	Executive Vice-President, CSO

Número de mujeres en la alta dirección	1
Porcentaje sobre el total de miembros de la alta dirección	10

Remuneración total alta dirección (en miles de euros)	4545
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Observaciones

C.1.15 Indique si se ha producido durante el ejercicio alguna modificación en el reglamento del consejo:

Sí ☒ No ☐

Descripción modificaciones
Artículo 13, relativo a la Comisión de Auditoría.

C.1.16 Indique los procedimientos de selección, nombramiento, reelección y remoción de los consejeros. Detalle los órganos competentes, los trámites a seguir y los criterios a emplear en cada uno de los procedimientos.

De acuerdo con lo establecido en el Reglamento del Consejo de Administración de la compañía, el nombramiento, reelección, evaluación y remoción de los consejeros se efectúan conforme a los siguientes procedimientos y términos:

**Nombramiento**

Los consejeros son designados (i) a propuesta de la Comisión de Nombramientos y Retribuciones, en el caso de consejeros independientes; y (ii) previo informe de la Comisión

de Nombramientos y Retribuciones en el caso de los restantes consejeros; por la Junta General o por el Consejo de Administración de conformidad con las previsiones contenidas en la Ley de Sociedades de Capital.

En el momento de nombramiento de un nuevo consejero, el mismo debe seguir el programa de orientación para nuevos consejeros establecido por la Sociedad, con el fin de que pueda adquirir un conocimiento rápido y suficiente de la Sociedad, así como de sus reglas de gobierno corporativo.

En cuanto a la designación de consejeros externos, el Consejo de Administración procura que la elección de candidatos recaiga sobre personas de reconocida solvencia, competencia y experiencia, debiendo extremar el rigor en relación con aquéllas llamadas a cubrir los puestos de consejero independiente previstos en el artículo 6 del Reglamento del Consejo.

Los consejeros afectados por propuestas de nombramiento se abstendrán de intervenir en las deliberaciones y votaciones que traten de ellas.

El Consejo de Administración tiene aprobada una política de selección de consejeros concreta y verificable, dirigida a favorecer una composición apropiada del Consejo, que asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las competencias requeridas por dicho Consejo y favorezca la diversidad de conocimientos, experiencias, edad y género.

#### **Reelección**

El Consejo de Administración, antes de proponer la reelección de consejeros a la Junta General, evalúa, con abstención de los sujetos afectados, según lo previsto en el artículo 22 del Reglamento del Consejo, la calidad del trabajo y la dedicación al cargo de los consejeros propuestos durante el mandato precedente.

Los consejeros ejercen su cargo durante el plazo establecido al efecto por la Junta General, al término del cual podrán ser reelegidos una o más veces por periodos de igual duración máxima.

Los consejeros afectados por propuestas de reelección se abstendrán de intervenir en las deliberaciones y votaciones que traten de ellas.

#### **Evaluación**

La Comisión de Nombramientos y Retribuciones evalúa las competencias, conocimientos y experiencia necesarios en el Consejo, define, en consecuencia, las funciones y aptitudes necesarias en los candidatos que deban cubrir cada vacante, y evalúa el tiempo y dedicación precisos para que puedan desarrollar bien su cometido.

El Consejo de Administración en pleno evalúa asimismo: (i) la calidad y eficiencia de su funcionamiento, la diversidad en su composición y competencias y sobre el desempeño y la aportación de cada consejero; (ii) el desempeño de sus funciones por el Presidente del Consejo y por el primer ejecutivo de la Sociedad, partiendo del informe que le eleve la Comisión de Nombramientos y Retribuciones; y (iii) el funcionamiento de sus Comisiones, partiendo del informe que éstas le eleven. A tal efecto el Presidente del Consejo de Administración organizará y coordinará con los presidentes de las Comisiones la evaluación del Consejo y la del Consejero Delegado y primer ejecutivo.

#### **Remoción**

Los consejeros cesarán en el cargo cuando haya transcurrido el período para el que fueron nombrados y cuando lo decida la Junta General en uso de las atribuciones que tiene conferidas legal o estatutariamente. En cualquier caso el nombramiento de los administradores caducará cuando, vencido el plazo, se haya celebrado la Junta General siguiente o hubiese transcurrido el término legal para la celebración de la junta que deba resolver sobre la aprobación de cuentas del ejercicio anterior.

El Consejo de Administración únicamente podrá proponer el cese de un consejero



independiente antes del transcurso del plazo estatutario cuando concurra justa causa, apreciada por el Consejo previo informe de la Comisión de Nombramientos y Retribuciones. En particular, se entenderá que existe justa causa cuando el consejero hubiera incumplido los deberes inherentes a su cargo o hubiese incurrido de forma sobrevenida en alguna de las circunstancias impositivas descritas en la definición de consejero independiente que se establezca en las recomendaciones de buen gobierno corporativo aplicable en cada momento.

Los consejeros afectados por propuestas de cese se abstendrán de intervenir en las deliberaciones y votaciones que traten de ellas.

C.1.17 Explique en qué medida la evaluación anual del consejo ha dado lugar a cambios importantes en su organización interna y sobre los procedimientos aplicables a sus actividades.

Descripción modificaciones

Describa el proceso de evaluación y las áreas evaluadas que ha realizado el consejo de administración auxiliado, en su caso, por un consultor externo, respecto del funcionamiento y la composición del consejo y de sus comisiones y cualquier otra área o aspecto que haya sido objeto de evaluación.

Descripción proceso de evaluación y áreas evaluadas
El Consejo de Administración, en su sesión de 18 de febrero de 2022, ha procedido a evaluar de la calidad y eficiencia del funcionamiento del Consejo en 2021, la diversidad en su composición y competencias, el desempeño y aportación de cada consejero y del primer ejecutivo de la sociedad. Para ello se ha contado en lo procedente con los informes que las comisiones de auditoría y de nombramientos y retribuciones han emitido al respecto. Asimismo se ha contado con el auxilio del experto independiente RSM Spain al efecto.

C.1.18 Desglose en aquellos ejercicios en los que la evaluación haya sido auxiliada por un consultor externo, las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo.

Ninguna.

C.1.19 Indique los supuestos en los que están obligados a dimitir los consejeros.

Los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión en los siguientes casos:

- Quando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como consejero.
- Quando se vean incursos en alguno de los supuestos de incompatibilidad o prohibición legalmente previstos.
- Quando resulten gravemente amonestados por el Consejo de Administración por haber infringido sus obligaciones como consejeros.
- Quando su permanencia en el Consejo pueda poner en riesgo o perjudicar los intereses, el crédito o la reputación de la Sociedad o cuando desaparezcan las razones por las que fueron nombrados (por ejemplo, cuando un consejero dominical se deshace de su participación en la Sociedad).
- En el caso de los consejeros independientes éstos no podrán permanecer como tales durante un período continuado superior a 12 años, por lo que transcurrido dicho plazo,

deberán poner su cargo a disposición del Consejo de Administración y formalizar la correspondiente dimisión.

f) En el caso de los consejeros dominicales (i) cuando el accionista a quien representen venda íntegramente su participación accionarial y; asimismo (ii) en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de consejeros dominicales.

C.1.20 ¿Se exigen mayorías reforzadas, distintas de las legales, en algún tipo de decisión?:

Sí ☐ No ☒

En su caso, describa las diferencias.

Descripción de las diferencias

C.1.21 Explique si existen requisitos específicos, distintos de los relativos a los consejeros, para ser nombrado presidente del consejo de administración.

Sí ☐ No ☒

Descripción de los requisitos

C.1.22 Indique si los estatutos o el reglamento del consejo establecen algún límite a la edad de los consejeros.

Sí ☐ No ☒

	Edad límite
Presidente	
Consejero delegado	
Consejero	

Observaciones

C.1.23 Indique si los estatutos o el reglamento del consejo establecen un mandato limitado u otros requisitos más estrictos adicionales a los previstos legalmente para los consejeros independientes, distinto al establecido en la normativa:

Sí ☐ No ☒

Requisitos adicionales y/o número máximo de ejercicios de mandato	
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C.1.24 Indique si los estatutos o el reglamento del consejo de administración establecen normas específicas para la delegación del voto en el consejo de administración en favor de otros consejeros, la forma de hacerlo y, en particular, el número máximo de delegaciones que puede tener un consejero, así como si se ha establecido alguna limitación en cuanto a las categorías en que es posible delegar, más allá de las limitaciones impuestas por la legislación. En su caso, detalle dichas normas brevemente.

De conformidad con el artículo 16 del Reglamento del Consejo, los consejeros harán todo lo posible para acudir a las sesiones del Consejo y, cuando indispensablemente no puedan hacerlo personalmente, otorgarán su representación por escrito y con carácter especial para cada sesión
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a otro miembro del Consejo (en el caso de los consejeros no ejecutivos, sólo podrán delegar la representación en otro consejero no ejecutivo), incluyendo las oportunas instrucciones y comunicándolo al Presidente del Consejo de Administración.

C.1.25 Indique el número de reuniones que ha mantenido el consejo de administración durante el ejercicio. Asimismo, señale, en su caso, las veces que se ha reunido el consejo sin la asistencia de su presidente. En el cómputo se considerarán asistencias las representaciones realizadas con instrucciones específicas.

Número de reuniones del consejo	7
Número de reuniones del consejo sin la asistencia del presidente	0

Observaciones

Indíquese el número de reuniones mantenidas por el consejero coordinador con el resto de consejeros, sin asistencia ni representación de ningún consejero ejecutivo:

Número de reuniones	
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Observaciones

Indique el número de reuniones que han mantenido en el ejercicio las distintas comisiones del consejo:

Número de reuniones de la comisión ejecutiva	
Número de reuniones de la comisión de auditoría	4
Número de reuniones de la comisión de nombramientos y retribuciones	4
Número de reuniones de la comisión de nombramientos	
Número de reuniones de la comisión de retribuciones	
Número de reuniones de la comisión de dermatología	4

Observaciones

C.1.26 Indique el número de reuniones que ha mantenido el consejo de administración durante el ejercicio y los datos sobre asistencia de sus miembros:

Número de reuniones con la asistencia presencial de al menos el 80% de los consejeros	7
% de asistencia presencial sobre el total de votos durante el ejercicio	100%
Número de reuniones con la asistencia presencial, o representaciones realizadas con instrucciones específicas, de todos los consejeros	7
% de votos emitidos con asistencia presencial y representaciones realizadas con instrucciones específicas, sobre el total de votos durante el ejercicio	100%

Observaciones

C.1.27 Indique si están previamente certificadas las cuentas anuales

individuales y consolidadas que se presentan al consejo para su formulación:

Sí ☐ No ☒

Identifique, en su caso, a la/s persona/s que ha/han certificado las cuentas anuales individuales y consolidadas de la sociedad, para su formulación por el consejo:

Nombre	Cargo

Observaciones

- C.1.28 Explique, si los hubiera, los mecanismos establecidos por el consejo de administración para que las cuentas anuales que el consejo de administración presente a la junta general de accionistas se elaboren de conformidad con la normativa contable.

El artículo 13 del Reglamento del Consejo de Administración atribuye a la Comisión de Auditoría, entre otras, las competencias de conocer el proceso de información financiera, los sistemas de control interno de la Sociedad, comprobar la adecuación e integridad de los mismos y revisar la designación o sustitución de sus repsnsables, y la de supervisar el cumplimiento del contrato de auditoría, procurando que la opinión sobre las cuentas anuales y los contenidos principales del informe de auditoría sean redactados de forma clara y precisa, así como evaluar los resultados de cada auditoría.

Por su parte, el artículo 40.3. del Reglamento del Consejo establece que el Consejo de Administración procurará formular definitivamente las cuentas de manera tal que no haya lugar a salvedades por parte del auditor. En los supuestos excepcionales en que el auditor de cuentas haya incluido en su informe de auditoría alguna salvedad, el Presidente de la Comisión de Auditoría explicará con claridad en la Junta General el parecer de la Comisión de Auditoría sobre su contenido y alcance, poniéndose a disposición de los accionistas en el momento de la publicación de la convocatoria de la Junta, junto con el resto de propuestas e informes del consejo, un resumen de dicho parecer. No obstante, cuando el Consejo considere que debe mantener su criterio, explicará públicamente el contenido y el alcance de la discrepancia.

- C.1.29 ¿El secretario del consejo tiene la condición de consejero?

Sí ☐ No ☒

Si el secretario no tiene la condición de consejero complete el siguiente cuadro:

Nombre o denominación social del Secretario	Representante
José Juan Pintó Sala	
Observaciones	

- C.1.30 Indique los mecanismos concretos establecidos por la sociedad para preservar la independencia de los auditores externos, así como, si los hubiera, los mecanismos para preservar la independencia de los analistas financieros, de los bancos de inversión y de las agencias de calificación, incluyendo cómo se han implementado en la práctica las previsiones legales.

De acuerdo con el artículo 40.1 del Reglamento del Consejo de Administración,

corresponde a la Comisión de Auditoría proponer al Consejo de Administración, para su sometimiento a la Junta General de Accionistas, la designación (con indicación de las condiciones de contratación y el alcance del mandato profesional), renovación y revocación del auditor y supervisar el cumplimiento del contrato de auditoría.

La Comisión de Auditoría es el encargado de las relaciones con los auditores externos de la Sociedad, recibiendo información sobre las cuestiones que puedan poner en riesgo la independencia de éstos.

La relación con los auditores es objeto de especial atención por parte de la Comisión de Auditoría que mantiene reuniones periódicas con el auditor externo para conocer en detalle el avance y la calidad de sus trabajos evaluando los resultados provisionales de auditoría para asegurar el cumplimiento de lo dispuesto en el Reglamento del Consejo y en la legislación aplicable y con ello la independencia del auditor.

C.1.31 Indique si durante el ejercicio la Sociedad ha cambiado de auditor externo. En su caso identifique al auditor entrante y saliente:

Sí ☒ No ☐

Auditor saliente	Auditor entrante
PWC	KPMG
Observaciones	
La Junta General de Accionistas celebrada en mayo de 2021 designó como auditor de cuentas de la sociedad y su grupo consolidado a KPMG por un periodo de 3 años (2021 a 2023).	

En el caso de que hubieran existido desacuerdos con el auditor saliente, explique el contenido de los mismos:

Sí ☐ No ☒

Explicación de los desacuerdos

C.1.32 Indique si la firma de auditoría realiza otros trabajos para la sociedad y/o su grupo distintos de los de auditoría y en ese caso declare el importe de los honorarios recibidos por dichos trabajos y el porcentaje que supone sobre los honorarios facturados a la sociedad y/o su grupo:

Sí ☒ No ☐

	Sociedad	Sociedades del Grupo	Total
Importe de otros trabajos distintos de los de auditoría (miles de euros)	34	265	299
Importe trabajos distintos de los de auditoría / Importe trabajos de auditoría (en %)	8,9%	36,7%	45,6%

Observaciones

C.1.33 Indique si el informe de auditoría de las cuentas anuales del ejercicio anterior presenta salvedades. En su caso, indique las razones dadas a los accionistas en la Junta General por el presidente de la comisión de auditoría para explicar el contenido y alcance de dichas salvedades.

Sí ☐ No ☒

Explicación de las razones y enlace directo al documento puesto a disposición de los accionistas en el momento de la convocatoria en relación con esta materia

C.1.34 Indique el número de ejercicios que la firma actual de auditoría lleva de forma ininterrumpida realizando la auditoría de las cuentas anuales individuales y/o consolidadas de la sociedad. Asimismo, indique el porcentaje que representa el número de ejercicios auditados por la actual firma de auditoría sobre el número total de ejercicios en los que las cuentas anuales han sido auditadas:

	Individuales	Consolidadas
Número de ejercicios ininterrumpidos	1	1

	Individuales	Consolidad
Nº de ejercicios auditados por la firma actual de auditoría / Nº de ejercicios que la sociedad o su grupo han sido auditados (en %)	3,22%	3,22%

Observaciones

C.1.35 Indique y, en su caso detalle, si existe un procedimiento para que los consejeros puedan contar con la información necesaria para preparar las reuniones de los órganos de administración con tiempo suficiente:

Sí ☒ No ☐

Detalle el procedimiento
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De conformidad con el artículo 15 del Reglamento del Consejo:

- La convocatoria de las sesiones del Consejo se cursará con una antelación mínima de tres días e incluirá siempre el Orden del día de la sesión así como la información suficiente y relevante debidamente resumida y preparada al efecto. El Presidente, como responsable del eficaz funcionamiento del Consejo, se asegurará que los consejeros reciban adecuadamente dicha información.
- Asimismo, en las sesiones extraordinarias del Consejo convocadas por el Presidente cuando a su juicio las circunstancias así lo justifiquen, sin que sean de aplicación en tales supuestos el plazo de antelación y los demás requisitos que se indican en el citado artículo 15, se procurará que la documentación que, en su caso, deba proporcionarse a los Consejeros se entregue con antelación suficiente.

Asimismo, de acuerdo con lo establecido con el artículo 23 del Reglamento del Consejo:

- El consejero podrá solicitar información sobre cualquier asunto de la competencia del Consejo y, en este sentido, examinar sus libros, registros, documentos y demás documentación. El derecho de información se extiende a las sociedades participadas siempre que ello fuera posible.
- La petición de información deberá dirigirse al Secretario del Consejo de Administración, quien la hará llegar al Presidente del Consejo de Administración y al interlocutor apropiado que proceda en la Sociedad.
- El Secretario advertirá al consejero del carácter confidencial de la información que solicita y recibe y de su deber de confidencialidad de acuerdo con lo previsto en el presente Reglamento.

El Presidente podrá denegar la información si considera: (i) que no es precisa para el cabal desempeño de las funciones encomendadas al consejero o (ii) que su coste no es razonable a la vista de la importancia del problema y de los activos e ingresos de la Sociedad.

C.1.36 Indique y, en su caso detalle, si la sociedad ha establecido reglas que obliguen a los consejeros a informar y, en su caso, dimitir cuando se den situaciones que les afecten, relacionadas o no con su actuación en la propia sociedad que puedan perjudicar al crédito y reputación de ésta:

Sí ☒ No ☐

Explique las reglas
De acuerdo con el artículo 21.2.d del Reglamento del Consejo, los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión, cuando su permanencia en el Consejo pueda poner en riesgo o perjudicar los intereses, el crédito o la reputación de la Sociedad o cuando desaparezcan las razones por las que fueron nombrados (por ejemplo, cuando un consejero dominical se deshace de su participación en la Sociedad).

C.1.37 Indique, salvo que hayan concurrido circunstancias especiales de las que se haya dejado constancia en acta, si el consejo ha sido informado o ha conocido de otro modo alguna situación que afecte a un consejero, relacionada o no con su actuación en la propia sociedad, que pueda perjudicar al crédito y reputación de ésta:

Sí ☐ No ☒

Nombre del consejero	Naturaleza de la situación	Observaciones

En el supuesto anterior, indique si el consejo de administración ha examinado el caso. Si la respuesta es afirmativa, explique de forma razonada si, atendiendo a las circunstancias concretas, ha adoptado alguna medida, como la apertura de una investigación interna, solicitar

la dimisión del consejero o proponer su cese. Indique también si la decisión del consejo ha contado con un informe de la comisión de nombramientos.

Indique también si la decisión del consejo ha contado con un informe de la comisión de nombramientos.

Sí ☐ No ☐

Decisión tomada/actuación realizada	Explicación razonada

C.1.38 Detalle los acuerdos significativos que haya celebrado la sociedad y que entren en vigor, sean modificados o concluyan en caso de cambio de control de la sociedad a raíz de una oferta pública de adquisición, y sus efectos.

C.1.39 Identifique de forma individualizada, cuando se refiera a consejeros, y de forma agregada en el resto de casos e indique, de forma detallada, los acuerdos entre la sociedad y sus cargos de administración y dirección o empleados que dispongan indemnizaciones, cláusulas de garantía o blindaje, cuando éstos dimitan o sean despedidos de forma improcedente o si la relación contractual llega a su fin con motivo de una oferta pública de adquisición u otro tipo de operaciones.

Número de beneficiarios	1
Tipo de beneficiario	Descripción del acuerdo
Consejero ejecutivo	El Consejero Delegado Sr. Nazzi tiene una cláusula contractual de preaviso en el caso de extinción del contrato de 3 meses tanto para él como para la Compañía. Existe una indemnización por terminación (salvo despido disciplinario procedente) de una anualidad (sueldo base), más el 75% de la remuneración anual variable correspondiente, durante los dos primeros años.

Indique si, más allá de en los supuestos previstos por la normativa, estos contratos han de ser comunicados y/o aprobados por los órganos de la sociedad o de su grupo. En caso positivo, especifique los procedimientos, supuestos previstos y la naturaleza de los órganos responsables de su aprobación o de realizar la comunicación:

	Consejo de administración	Junta general
Órgano que autoriza las cláusulas	X	

	SÍ	NO
¿Se informa a la junta general sobre las cláusulas?		X

Observaciones



## C.2 Comisiones del consejo de administración

C.2.1 Detalle todas las comisiones del consejo de administración, sus miembros y la proporción de consejeros ejecutivos, dominicales, independientes y otros externos que las integran:

### COMISIÓN EJECUTIVA

Nombre	Cargo	Categoría

% de consejeros ejecutivos	
% de consejeros dominicales	
% de consejeros independientes	
% de otros externos	
Observaciones	

Explique las funciones que tiene delegadas o atribuidas esta comisión distintas a las que ya hayan sido descritas en el apartado C.1.9, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley, en los estatutos sociales u otros acuerdos societarios.

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## COMISIÓN DE AUDITORÍA

Nombre	Cargo	Categoría
D. Enrique De Leyva Pérez	Presidente	Independiente
D. Antonio Gallardo Torrededía	Secretario	Externo dominical
Dña Karin Dorrepaal	Vocal	Independiente

% de consejeros dominicales	33
% de consejeros independientes	66
% de otros externos	

Observaciones

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos u otros acuerdos sociales.

La Comisión de Auditoría está compuesta por un mínimo de tres (3) Consejeros, todos ellos no ejecutivos, la mayoría de los cuales al menos deberán ser consejeros independientes. Los miembros de la Comisión y en especial su Presidente son designados teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o gestión de riesgos, tanto financieros como no financieros. Los miembros de la Comisión son nombrados por el Consejo de Administración. En su conjunto, los miembros de la Comisión tienen los conocimientos técnicos pertinentes en relación con el sector de actividad al que pertenezca la entidad auditada. El Presidente de la Comisión de Auditoría es elegido de entre los Consejeros independientes, debiendo ser sustituido cada cuatro años, y pudiendo ser reelegido una vez transcurrido un plazo de un (1) año desde su cese. Actúa como Secretario aquel que resulte designado de entre sus miembros. Sin perjuicio de las demás funciones que le atribuyan este Reglamento, los Estatutos Sociales así como la Ley de Sociedades de Capital, la Comisión de Auditoría ejerce las siguientes funciones básicas:

### Generales

- Informar, con carácter previo, al Consejo de Administración sobre todas las materias previstas en la Ley, los estatutos sociales y en el reglamento del consejo y en particular, sobre:
  - (i) la información financiera que la sociedad deba hacer pública periódicamente. La Comisión de Auditoría deberá asegurarse de que las cuentas intermedias se formulan con los mismos criterios contables que las anuales y, a tal fin, considerar la procedencia de una revisión limitada del auditor externo.
  - (ii) la creación o adquisición de participaciones en entidades de propósito especial o domiciliadas en países o territorios que tengan la consideración de paraísos fiscales, así como cualesquiera otras transacciones u operaciones de naturaleza análoga que, por su complejidad, pudieran aparentemente menoscabar la transparencia del grupo.
  - (iii) las operaciones con partes vinculadas.
- Supervisar el cumplimiento de las reglas de gobierno corporativo y de los códigos internos de conducta de la empresa, velando asimismo por que la cultura corporativa esté alineada con su propósito y valores.

- Ser informada sobre las operaciones de modificaciones estructurales y corporativas que proyecte realizar la Sociedad para su análisis e informe previo al Consejo de Administración sobre sus condiciones económicas y su impacto contable y, en especial, en su caso, sobre la ecuación de canje propuesta.
- Supervisar el cumplimiento de la normativa respecto a las operaciones vinculadas. En particular velará por que se comunique al mercado la información sobre dichas operaciones, en cumplimiento de lo establecido en la legislación vigente.
- Informar a la Junta General sobre las cuestiones que se planteen en relación con aquellas materias que sean competencia de la Comisión, y, en particular, sobre el resultado de la auditoría explicando cómo esta ha contribuido a la integridad de la información financiera y la función que la comisión ha desempeñado en ese proceso.

#### Información Financiera, No Financiera y Cuentas Anuales

- Supervisar el proceso de elaboración y presentación de la información financiera preceptiva y presentar recomendaciones o propuestas al órgano de administración, dirigidas a salvaguardar su integridad.
- Conocer el proceso de información financiera, los sistemas de control internos de la Sociedad, comprobar la adecuación e integridad de los mismos y revisar la designación o sustitución de sus responsables.
- Revisar la información financiera periódica que deba suministrar el Consejo a los mercados y a sus órganos de supervisión.
- Supervisar la aplicación de la política general relativa a la comunicación de información económico-financiera, no financiera y corporativa, así como a la comunicación con accionistas e inversores, asesores de voto y otros grupos de interés. Asimismo se hará seguimiento del modo en que la entidad se comunica y relaciona con los pequeños y medianos accionistas.
- Supervisar y evaluar el proceso de elaboración y la integridad de la información financiera y no financiera, así como los sistemas de control y gestión de riesgos financieros y no financieros relativos a la sociedad y, en su caso, al grupo -incluyendo los operativos, tecnológicos, legales, sociales, medioambientales, políticos y reputacionales o relacionados con la corrupción- revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.
- Revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados, contando para ello con la colaboración directa de los auditores externos e internos.

#### Auditores Externos

- Establecer las oportunas relaciones con el auditor externo para recibir información sobre aquellas cuestiones que puedan suponer amenaza para su independencia, para su examen por la comisión, y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, y, cuando proceda, la autorización de los servicios distintos de los prohibidos, en los términos contemplados en los artículos 5, apartado 4, y 6.2.b) del Reglamento (UE) n.º 537/2014, de 16 de abril, y en lo previsto en la sección 3.ª del capítulo IV del título de la Ley 22/2015, de 20 de julio, de Auditoría de Cuentas, sobre el régimen de independencia, así como aquellas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las normas de auditoría. En todo caso, la Comisión deberá recibir anualmente de los auditores externos la declaración de su independencia en relación con la entidad o entidades vinculadas a esta directa o indirectamente, así como la información detallada e individualizada de los servicios adicionales de cualquier clase prestados y los correspondientes honorarios percibidos de estas entidades por el auditor externo o por las personas o entidades vinculados a este de acuerdo con lo dispuesto en la normativa reguladora de la actividad de auditoría de cuentas.
- Recibir regularmente del auditor externo información sobre el plan de auditoría y los resultados de su ejecución, y verificar que la alta dirección tiene en cuenta sus recomendaciones.
- Asegurar su independencia y, a tal efecto: (i) que la Sociedad comunique a través de la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido; (ii) que se asegure que la Sociedad y el auditor respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría, los límites a la concentración del negocio del auditor y, en general las demás normas establecidas para asegurar la independencia de los auditores; y (iii) que en caso de renuncia del auditor externo examine las circunstancias que la hubieran motivado.
- En el caso de grupos, favorecer que el auditor del grupo asuma la responsabilidad de las auditorías de las empresas que lo integren.
- Velar que la retribución del auditor externo por su trabajo no comprometa su calidad ni su independencia.

- Asegurar que el auditor externo mantenga anualmente una reunión con el pleno del Consejo de Administración para informarle sobre el trabajo realizado y sobre la evolución de la situación contable y de riesgos de la Sociedad.
- Elevar al consejo de administración las propuestas de selección, nombramiento, reelección y sustitución del auditor de cuentas, responsabilizándose del proceso de selección, de conformidad con lo previsto en los artículos 16, apartados 2, 3 y 5, y 17.5 del Reglamento UE n°537/2014, de 16 de abril, así como las condiciones de su contratación y recabar regularmente de él información sobre el plan de auditoría y su ejecución, además de preservar su independencia en el ejercicio de sus funciones.
- Supervisar el cumplimiento del contrato de auditoría, procurando que la opinión sobre las Cuentas Anuales y los contenidos principales del informe de auditoría sean redactados de forma clara y precisa, así como evaluar los resultados de cada auditoría.
- Emitir anualmente, con carácter previo a la emisión del informe de auditoría de cuentas, un informe en el que se expresará una opinión sobre si la independencia de los auditores de cuentas o sociedades de auditoría resulta comprometida. Este informe deberá contener, en todo caso, la valoración motivada de la prestación de todos y cada uno de los servicios adicionales a que hace referencia la letra e) del artículo 529. quaterdecies.4 de la Ley de Sociedades de Capital, individualmente considerados y en su conjunto, distintos de la auditoría legal y en relación con el régimen de independencia o con la normativa reguladora de la actividad de auditoría de cuentas.

#### Auditoría Interna

- Supervisar la eficacia del control interno de la sociedad, la auditoría interna y los sistemas de gestión de riesgos, incluidos los fiscales, así como discutir con el auditor de cuentas las debilidades significativas del sistema de control interno detectadas en el desarrollo de la auditoría, todo ello sin quebrantar su independencia. A tales efectos, y en su caso, podrán presentar recomendaciones o propuestas al órgano de administración y el correspondiente plazo para su seguimiento.
- Velar por la independencia de la unidad que asume la función de auditoría interna; proponer la selección, nombramiento y cese del responsable del servicio de auditoría interna; proponer el presupuesto de ese servicio; aprobar o proponer la aprobación al consejo de la orientación y el plan de trabajo anual de la auditoría interna, asegurándose de que su actividad esté enfocada principalmente en los riesgos relevantes (incluidos los reputacionales); recibir información periódica sobre sus actividades; y verificar que la alta dirección tenga en cuenta las conclusiones y recomendaciones de sus informes.
- Velar en general por que las políticas y sistemas establecidos en materia de control interno se apliquen de modo efectivo en la práctica.

#### Control de Riesgos

- Supervisar la política de control y gestión de riesgos que inciden en la consecución de los objetivos corporativos.
- Revisar periódicamente los sistemas de control interno y gestión de riesgos, para que los principales riesgos se identifiquen, gestionen y den a conocer adecuadamente.
- En relación con la política y la gestión de riesgos:
  - (a) Identificar los distintos tipos de riesgo (entre otros, los operativos, tecnológicos, financieros, legales y reputacionales, incluidos los relacionados con la corrupción) a los que se enfrenta la Sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.
  - (b) Identificar la fijación del nivel de riesgo que la Sociedad considere aceptable.
  - (c) Identificar las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.
- Identificar los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.
- Asumir la responsabilidad del seguimiento y detalle del Modelo de Prevención y Gestión de Riesgos Penales, en los términos establecidos en el indicado Modelo en cada momento.

#### Sostenibilidad

- Evaluar y revisar periódicamente el sistema de gobierno corporativo y de la política en materia medioambiental y social de la sociedad, con el fin de que cumplan su misión de promover el interés social y tengan en cuenta, según corresponda, los legítimos intereses de los distintos grupos de interés.

- Supervisar que las prácticas de la sociedad en materia medioambiental y social se ajustan a la estrategia y política fijadas.
- Supervisar y evaluar los procesos de relación con los distintos grupos de interés.

Otras funciones

- Examinar el cumplimiento del Reglamento Interno de Conducta, del Reglamento del Consejo de Administración y, en general, de las reglas de gobierno de la Sociedad y hacer las propuestas necesarias para su mejora.
- Establecer y supervisar un mecanismo que permita a los empleados comunicar, de forma confidencial y, si resulta posible y se considera apropiado, anónima las irregularidades de potencial trascendencia, especialmente las de materia penal, financieras y contables, que adviertan en el seno de la Sociedad.
- Recibir información y, en su caso, emitir informe sobre las medidas disciplinarias que se pretendan imponer a miembros del alto equipo directivo de la Sociedad.

Durante 2021, la Comisión, entre otros asuntos, revisó la información financiera periódica de la compañía, trató acerca de cuestiones relativas a la financiación de la compañía, de las operaciones vinculadas, de cuestiones de gobierno corporativo, de riesgos, así como de la función de auditoría interna.

Identifique a los consejeros miembros de la comisión de auditoría que hayan sido designados teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o en ambas e informe sobre la fecha de nombramiento del Presidente de esta comisión en el cargo.

<b>Nombres de los consejeros con Experiencia</b>	Enrique De Leyva Pérez
<b>Fecha de nombramiento del presidente en el cargo</b>	21-02-20

Observaciones
El Presidente fue nombrado en la fecha indicada, pero con efectos 5 de mayo de 2020, y fue nuevamente reelegido en mayo de 2021.

## COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES

Nombre	Cargo	Categoría
D. Gerhard Mayr	Presidente	Independiente
Sir Tom McKillop	Secretario	Externo
Dña Georgia Garinois-Melenikiotou	Vocal	Independiente
Dª Eva-Lotta Coulter	Vocal	Independiente

<b>% de consejeros dominicales</b>	
<b>% de consejeros independientes</b>	75
<b>% de otros externos</b>	25

Observaciones

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma.

Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos u otros acuerdos sociales.

La Comisión de Nombramientos y Retribuciones está formada por 4 consejeros, uno de ellos externo y tres de ellos independientes. Los miembros de la Comisión de Nombramientos y Retribuciones se designan teniendo en cuenta sus conocimientos, aptitudes y experiencia así como los cometidos de la Comisión. El Presidente de la Comisión de Nombramientos y Retribuciones es un consejero independiente, elegido entre dichos consejeros externos. Actúa como Secretario de la Comisión, aquel que resulte designado de entre sus miembros. La Comisión de Nombramientos y Retribuciones se reúne, de ordinario trimestralmente. Asimismo, se reunirá cada vez que la convoque su Presidente, que deberá hacerlo siempre que el Consejo o su Presidente solicite la emisión de un informe o la adopción de propuestas y, en cualquier caso, siempre que resulte conveniente para el buen desarrollo de sus funciones. La Comisión debe dar cuenta de su actividad y responder del trabajo realizado ante el primer pleno del Consejo de Administración posterior a sus reuniones. Asimismo la Comisión debe levantar Acta de sus reuniones, de la que remitirá copia a todos los miembros del Consejo. La Comisión debe consultar al Presidente y al primer ejecutivo de la Sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos y altos directivos. Para el mejor cumplimiento de sus funciones, la Comisión de Nombramientos y Retribuciones puede recabar el asesoramiento de expertos externos, cuando lo juzgue necesario para el adecuado cumplimiento de sus funciones.

Sin perjuicio de otras funciones que pudiera asignarle el Consejo de Administración, la Comisión de Nombramientos y Retribuciones tiene las siguientes responsabilidades básicas:

- Formular y revisar los criterios que deben seguirse para la composición del equipo directivo de la Sociedad y sus filiales y para la selección de candidatos.
- Evaluar las competencias, conocimientos y experiencia necesarios en el Consejo. A estos efectos definirá las funciones y aptitudes necesarias en los candidatos que deban cubrir cada vacante, y evaluará el tiempo y dedicación precisos para que puedan desarrollar eficazmente su cometido.
- Establecer un objetivo de representación para el sexo menos representado en el consejo de administración y elaborar orientaciones sobre cómo alcanzar dicho objetivo.
- Elevar al consejo de administración las propuestas de nombramiento de consejeros independientes para su designación por cooptación o para su sometimiento a la decisión de la junta general de accionistas, así como las propuestas para la reelección o separación de dichos consejeros por la junta general de accionistas.
- Informar las propuestas de nombramiento de los restantes consejeros para su designación por cooptación o para su sometimiento a la decisión de la junta general de accionistas, así como las propuestas para su reelección o separación por la junta general de accionistas.
- Informar las propuestas de nombramiento y separación de altos directivos y las condiciones básicas de sus contratos.
- Informar y elevar al Consejo de Administración los nombramientos de directivos que el primer ejecutivo proponga, para que el Consejo proceda a designarlos.
- Informar al Consejo sobre las cuestiones de diversidad de género y cualificaciones de consejeros.
- Proponer al consejo de administración la política de retribuciones de los consejeros y de los directores generales o de quienes desarrollen sus funciones de alta dirección bajo la dependencia directa del consejo, de comisiones ejecutivas o de consejeros delegados, así como la retribución individual y las demás condiciones contractuales de los consejeros ejecutivos, velando por su observancia.
- Examinar u organizar, de la forma que se entienda adecuada, la sucesión del Presidente y del primer ejecutivo y, en su caso, hacer propuestas al Consejo, para que dicha sucesión se produzca de forma ordenada y planificada.
- Velar por la observancia de la política retributiva establecida por la Sociedad y por la transparencia de las retribuciones.
- Informar en relación a las transacciones que impliquen o puedan implicar conflictos de interés.

Entre otros asuntos, durante el ejercicio 2021 se procedió a debatir en el seno de la Comisión y aprobar los informes de evaluación del Presidente del Consejo y del Primer Ejecutivo, de funcionamiento de la Comisión de Nombramientos y Retribuciones y de Remuneraciones para su elevación al Consejo de Administración de la compañía a los efectos correspondientes. Asimismo la Comisión trató acerca de las nuevas incorporaciones a la compañía, de la composición del Consejo, los roles del Presidente y el CEO, el nombramiento de un nuevo consejero, la reelección de los consejeros, o el multiplicador del bonus para 2021. Además se trató

acerca de la evaluación SEUS y la propuesta para 2021 al respecto.

### COMISIÓN DE NOMBRAMIENTOS

Nombre	Cargo	Categoría

% de consejeros dominicales	
% de consejeros independientes	
% de otros externos	

Observaciones

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos u otros acuerdos sociales.

### COMISIÓN DE RETRIBUCIONES

Nombre	Cargo	Categoría

% de consejeros dominicales	
% de consejeros independientes	
% de otros externos	

Observaciones

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos u otros acuerdos sociales.

### COMISIÓN DE DERMATOLOGIA

Nombre	Cargo	Categoría
Dr. Seth J. Orlow	Presidente	Independiente
D. Ruud Dobber	Vocal	Independiente
D <sup>a</sup> Alexandra B. Kimball	Vocal	Independiente
D. Carlos Gallardo Piqué	Vocal	Externo Dominical
D. Gianfranco Nazzi	Secretario	Ejecutivo

% de consejeros ejecutivos	20
% de consejeros dominicales	20
% de consejeros independientes	60
% de otros externos	

Observaciones

Explique las funciones que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas ya sea en la ley o en los estatutos u otros acuerdos sociales.

La Comisión de Dermatología, creada en julio de 2016, está formada en la actualidad por 5 consejeros (Sres. Orlow, Gallardo Piqué, Dobber, Kimball y Nazzi), designados teniendo en cuenta sus conocimientos, aptitudes y experiencia en la materia. La Comisión de Dermatología tiene como misión la de revisar, debatir y promover la estrategia en dermatología, las actividades relativas a la implementación de tal estrategia y los proyectos clave de dermatología tanto en materia de investigación y desarrollo, como en la de business development para proponer la discusión y aprobación, en su caso, de los citados proyectos en el seno del Consejo de Administración. La Comisión de Dermatología se reúne, de ordinario trimestralmente. Asimismo, se debe reunir cada vez que la convoque su Presidente, que deberá hacerlo siempre que el Consejo o su Presidente solicite la emisión de un informe o la adopción de propuestas y, en cualquier caso, siempre que resulte conveniente para el buen desarrollo de sus funciones. Asimismo la Comisión debe levantar Acta de sus reuniones, de la que remite copia a todos los miembros del Consejo. El Consejo de Administración delibera sobre las propuestas e informes que la Comisión le presente. Para el mejor cumplimiento de sus funciones, la Comisión de Dermatología puede recabar el asesoramiento de expertos externos, cuando lo juzgue necesario para el adecuado cumplimiento de sus funciones. La mencionada Comisión no tiene la condición de Comisión de Supervisión y Control.

Sus actuaciones más importantes durante el ejercicio se han referido a la actualización de proyectos de I+D y a la revisión del comportamiento comercial de determinados productos. A mediados de 2021 se incorporó a la Comisión D. Gianfranco Nazzi, cesando por el contrario la consejera Sra. Coulter en julio de 2021 e incorporándose en su lugar a D. Ruud Dobber.

C.2.2 Complete el siguiente cuadro con la información relativa al número de consejeras que integran las comisiones del consejo de administración al cierre de los últimos cuatro ejercicios:

	Número de consejeras			
	Ejercicio t Número %	Ejercicio t-1 Número %	Ejercicio t-2 Número %	Ejercicio t-3 Número %
Comisión ejecutiva				
Comisión de Auditoría	1-33%	1-33%	1-33%	1-33%



Comisión de nombramientos y retribuciones	2-50%	1-33%	0	0
Comisión de nombramientos				
Comisión de Retribuciones				
Comisión de dermatología	1-20%	2-50%	1-25%	1-25%
Observaciones				

C.2.3 Indique, en su caso, la existencia de regulación de las comisiones del consejo, el lugar en que están disponibles para su consulta, y las modificaciones que se hayan realizado durante el ejercicio. A su vez, se indicará si de forma voluntaria se ha elaborado algún informe anual sobre las actividades de cada comisión.

La regulación de la Comisión de Auditoría, de la Comisión de Nombramientos y Retribuciones y de la Comisión de Dermatología se contempla en el Reglamento del Consejo de Administración (artículos 13, 14, 14bis y concordantes).

La Comisión de Auditoría y la de la Comisión de Nombramientos y Retribuciones han elaborado sus respectivos informes anuales sobre sus actividades.

## **D OPERACIONES VINCULADAS Y OPERACIONES INTRAGRUPPO**

D.1 Explique, en su caso, el procedimiento y órganos competentes para la aprobación de operaciones con partes vinculadas e intragrupo, indicando los criterios y reglas generales internas de la entidad que regulen las obligaciones de abstención de los consejero o accionistas afectados y detallando los procedimientos internos de información y control periódico establecidos por la sociedad en relación con aquellas operaciones vinculadas cuya aprobación haya sido delegada por el consejo de administración.

El artículo 35 del Reglamento del Consejo establece lo siguiente:

1. La realización por la Sociedad de cualquier transacción con los Consejeros y los accionistas titulares de participaciones significativas a los efectos de la Legislación del Mercado de Valores, quedará sometida a autorización por el Consejo de Administración, supeditada al informe previo favorable de la Comisión de Auditoría. La autorización del Consejo no se entenderá, sin embargo, precisa en aquellas operaciones vinculadas que cumplan simultáneamente las tres condiciones siguientes: (i) que se realicen en virtud de contratos cuyas condiciones estén estandarizadas y se apliquen en masa a un gran número de clientes; (ii) que se realicen a precios o tarifas establecidos con carácter general por quien actúe como suministrador del bien o servicio del que se trate; y (iii) que su cuantía no supere el 1% de los ingresos anuales de la Sociedad.
2. La Comisión de Auditoría y el Consejo de Administración, antes de autorizar la realización por la sociedad de transacciones de esta naturaleza, valorarán la operación desde el punto de vista de la igualdad de trato de los accionistas y de las condiciones de mercado.

Asimismo, el art. 13 del Reglamento del Consejo de Administración establece entre los cometidos de la Comisión de Auditoría el de supervisar el cumplimiento de la normativa sobre operaciones vinculadas y en particular, por que se comunique al mercado la información sobre dichas operaciones, en cumplimiento de la normativa vigente.

D.2 Detalle de manera individualizada aquellas operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o sus entidades dependientes y los accionistas titulares de un 10% o más de los derechos de voto o representados en el consejo de administración de la sociedad, indicando cuál ha sido el órgano competente para su aprobación y si se ha abstendido algún accionista o consejero afectado. En caso de que la competencia haya sido de la junta, indique si la propuesta de acuerdo ha sido aprobada por

el consejo sin el voto en contra de la mayoría de los independientes:

Nombre o denominación social del accionista o de cualquiera de sus sociedades dependientes	% Participación	Nombre o denominación social de la sociedad o entidad dependiente	Naturaleza de la operación	Tipo de la operación y otra información necesaria para su evaluación	Importe (miles de euros)	Órgano que la ha aprobado	Identificación del accionista significativo o consejeros que se hubiera abstenido	Tipo de la operación	Importe (miles de eur)
Grupo Corporativo Landon, S.L.	18,79	Almirall	Arrendamientos		2.982				
Grupo Corporativo Landon, S.L.	18,79	Almirall	Refacturación de obras		252				

Observaciones

D.3. Detalle de manera individualizada las operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o sus entidades dependientes con los administradores o directivos de la sociedad, incluyendo aquellas operaciones realizadas con entidades que el administrador o directivo controle o controle conjuntamente, e indicando cuál ha sido el órgano competente para su aprobación y si se ha abstenido algún accionista o consejero afectado. En caso de que la competencia haya sido de la junta, indique si la propuesta de acuerdo ha sido aprobada por el consejo sin el voto en contra de la mayoría de los independientes:

Nombre o denominación social de los administradores o directivos o de sus entidades controladas o bajo control conjunto	Nombre o denominación social de la sociedad o entidad dependiente	Vínculo	Naturaleza de la operación y otra información necesaria para su evaluación	Importe (miles de euros)	Órgano que la ha aprobado	Identificación del accionista o consejero que se	La propuesta a la junta, en su caso, ha sido aprobada por el consejo sin el voto en contra de la mayoría de independientes

Observaciones

D.4. Informe de manera individualizada de las operaciones intragrupo significativas por su cuantía o relevantes por su materia realizadas por la sociedad con su sociedad dominante o con otras entidades pertenecientes al grupo de la dominante, incluyendo las propias entidades dependientes de la sociedad cotizada, excepto que ninguna otra parte vinculada de las sociedad cotizada tenga intereses en dichas entidades dependientes o éstas se encuentren íntegramente participadas, directa o indirectamente, por la cotizada.

En todo caso, se informará de cualquier operación intragrupo realizada con entidades

establecidas en países o territorios que tengan la consideración de paraíso fiscal:

Denominación social de la entidad de su grupo	Breve descripción de la Operación y otra información necesaria para su evaluación	Importe (miles de euros)

Observaciones

D.5 Detalle de manera individualizada las operaciones significativas por su cuantía o relevantes por su materia realizadas por la sociedad o sus entidades dependientes con otras partes vinculadas que lo sean de conformidad con las Normas Internacionales de Contabilidad adoptadas por la UE, que no hayan sido informadas en los epígrafes anteriores.

Denominación social de la parte vinculada	Breve descripción de la Operación y otra información necesaria para su evaluación	Importe (miles de euros)

Observaciones

D.6 Detalle los mecanismos establecidos para detectar, determinar y resolver los posibles conflictos de intereses entre la sociedad y/o su grupo, y sus consejeros, directivos o accionistas significativos.

<p>De acuerdo con el artículo 29 del Reglamento del Consejo, el consejero observará y cumplirá en todo momento con las disposiciones establecidas en materia de conflicto de interés en los artículos 229 y concordantes de la Ley de Sociedades de Capital.</p> <p>Asimismo de acuerdo con el artículo 10 del Reglamento Interno de Conducta en los Mercados de Valores de la compañía, las personas sujetas al mismo (tal y como se definen en el artículo 2 de dicho Reglamento) sometidas a conflictos de interés deberán observar los siguientes principios generales de actuación:</p> <p><b>Independencia:</b> Las Personas Sujetas deben actuar en todo momento con libertad de juicio, con lealtad a la Sociedad y sus accionistas e independientemente de intereses propios o ajenos. En consecuencia, se abstendrán de primar sus propios intereses a expensas de los de la Sociedad o los de unos inversores a expensas de los de otros.</p> <p><b>Abstención:</b> Deben abstenerse de intervenir o influir en la toma de decisiones que puedan afectar a las personas o entidades con las que exista conflicto y de acceder a Información Relevante que afecte a dicho conflicto.</p> <p><b>Comunicación:</b> Las Personas Sujetas deberán informar al Director General Financiero sobre los posibles conflictos de interés en que se encuentren incursos por causa de sus actividades fuera de la Sociedad, sus relaciones familiares, su patrimonio personal, o por cualquier otro motivo, con:</p> <ul style="list-style-type: none"> <li>(i) la Sociedad o alguna de las compañías integrantes del Grupo Almirall.</li> <li>(ii) Proveedores o clientes significativos de la Sociedad o de las sociedades del Grupo Almirall.</li> <li>(iii) Entidades que se dediquen al mismo tipo de negocio o sean competidoras de la Sociedad o alguna de las sociedades del Grupo Almirall.</li> </ul> <p>Cualquier duda sobre la posibilidad de un conflicto de intereses deberá ser consultada con el Director General Financiero, correspondiendo la decisión última a la Comisión de Auditoría.</p> <p>Se considerará que existe conflicto de interés cuando la Persona Sujeta tenga alguna de las siguientes condiciones respecto de las entidades a que se refiere este artículo:</p> <ul style="list-style-type: none"> <li>(i) Sea administrador o alto directivo.</li> <li>(ii) Sea titular de una participación significativa (entendiendo por tal, para el caso de sociedades cotizadas en cualquier mercado secundario oficial español o extranjero, las referidas en el artículo 53 de la LMV y en su legislación de desarrollo, y para el caso de sociedades nacionales o extranjeras no cotizadas, toda participación directa o indirecta superior al veinte por ciento de su capital social emitido).</li> <li>(iii) Esté vinculado familiarmente hasta el segundo grado por afinidad o tercero por consanguinidad</li> </ul>	
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(iv)	con sus administradores, titulares de participaciones significativas en su capital o altos directivos. Mantenga relaciones contractuales relevantes, directas o indirectas
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D.7. Indique si la sociedad está controlada por otra entidad en el sentido del artículo 42 del Código de Comercio, cotizada o no, y tiene, directamente o a través de sus filiales, relaciones de negocio con dicha entidad o alguna de sus filiales (distintas de las de la sociedad cotizada) o desarrolla actividades relacionadas con las de cualquiera de ellas.

Sí ☒ No ☐

Tal y como se ha indicado en apartados anteriores, Grupo Plafin, S.A. y Grupo Corporativo Landon controlan aproximadamente el 60% del capital social de la compañía. Véase cuadro en apartado D.2 respecto a las operaciones con Grupo Corporativo Landon, S.L.
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Indique si ha informado públicamente con precisión acerca de las respectivas áreas de actividad y eventuales relaciones de negocio entre por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales;

Sí ☒ No ☐

Informe de las respectivas áreas de actividad y las eventuales relaciones de negocio entre, por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales, e identifique dónde se ha informado públicamente sobre estos aspectos
Las relaciones de negocio entre Grupo Corporativo Landon, S.L. y la compañía (arrendaticia y refacturación de obras) se han informado cada año en el Informe Anual de Gobierno Corporativo de Almirall, S.A. Asimismo el vínculo entre ambas y el área de actividad de Almirall (farma) son públicos y notorios, constando todo ello en la información facilitada a CNMV o por ejemplo, en la propia página web de Grupo Corporativo Landon ( <a href="https://gallardofamilygroup.com/es/empresas-fundacion/">https://gallardofamilygroup.com/es/empresas-fundacion/</a> ), en la que además consta el área o áreas de actividad de dicho Grupo (family office centrado en la preservación del patrimonio familiar).

Identifique los mecanismos previstos para resolver los eventuales conflictos de intereses entre la otra sociedad dominante de la cotizada y las demás empresas del grupo:

Mecanismos para resolver los eventuales conflictos de intereses

## **E SISTEMAS DE CONTROL Y GESTIÓN DE RIESGOS**

**E.1 Explique el alcance del Sistema de Gestión y de Riesgos financieros y no financieros de la sociedad, incluidos los de naturaleza fiscal.**

El Sistema de Gestión de Riesgos se elabora a partir de la consolidación del análisis y valoración de eventos, riesgos, controles y planes de acción de mitigación realizados por las unidades de negocio y de soporte que integran las diferentes áreas de la Compañía. Para los riesgos de naturaleza fiscal se dispone además de un Comité Fiscal para su control, gestión y minimización.

Son objeto de evaluación todos los riesgos que pueden impactar de forma relevante en la consecución de los objetivos de la Compañía. Se consideran, por tanto, los riesgos estratégicos, operacionales, financieros, fiscales, tecnológicos, de sostenibilidad, regulatorios y de reporting causados tanto por factores externos como internos.

**E.2 Identifique los órganos de la sociedad responsables de la elaboración y ejecución del Sistema de Control y Gestión de Riesgos financieros y no financieros, incluido el fiscal.**

La elaboración y ejecución del Sistema de Gestión de Riesgos es responsabilidad de la Alta Dirección siendo la función de supervisión y control ejercida por el Risk Management Committee vinculado funcionalmente a la Comisión de Auditoría y a la Presidencia, dado que se refiere directamente a una responsabilidad esencial del propio Consejo de Administración.

**E.3 Señale los principales riesgos financieros y no financieros, incluidos los fiscales, y en la medida que sean significativos los derivados de la corrupción (entendidos estos últimos con el alcance del Real Decreto Ley 18/2017) que pueden afectar a la consecución de los objetivos de negocio.**

Los principales riesgos que pueden afectar a la consecución de los objetivos de negocio son los siguientes:

- Reducciones de precio o limitaciones en volumen para los productos existentes y dificultades en la obtención de los precios o condiciones de reembolso solicitados para los nuevos lanzamientos por decisiones de las autoridades sanitarias, con el consiguiente impacto en las previsiones de venta.
- Erosión de la cifra de negocio y pérdida de cuota de mercado por la entrada progresiva de genéricos.
- Ataques cibernéticos o incidentes de seguridad que permiten el acceso a información confidencial o causan una interrupción de las actividades del negocio.
- Deterioro de activos intangibles y fondos de comercio por flujos de ingresos inferiores a los proyectados.
- Pipeline de I+D no suficientemente equilibrado y diferenciado en sus diferentes fases para nutrir el portfolio de productos.
- Impacto prolongado y superior al esperado del COVID-19

**E.4 Identifique si la entidad cuenta con un nivel de tolerancia al riesgo, incluido el fiscal.**

La Compañía opera en un sector caracterizado por una incertidumbre muy elevada sobre el resultado de los desembolsos destinados a Investigación y Desarrollo, en un mercado muy competitivo en las áreas terapéuticas en que está focalizada, muy sujeto a las decisiones de las Autoridades Sanitarias tanto para la aprobación de los productos como para la determinación de las condiciones de comercialización, muy expuesto a la entrada de genéricos y en una industria muy regulada en aspectos relacionados con farmacovigilancia, calidad, medioambiente y códigos de buenas prácticas en actividades promocionales. Estos factores conllevan una naturaleza de riesgos que se afrontan desde un posicionamiento conservador, siendo muy selectivos en la asignación de recursos y estableciendo procesos y controles muy rigurosos y eficaces en el desarrollo de las operaciones.

Los diversos riesgos son identificados y evaluados por los Directores de la Compañía a partir del análisis de los posibles acontecimientos que pueden dar lugar a los mismos. La valoración se realiza mediante la utilización de unas métricas que miden la probabilidad de ocurrencia y el impacto - cuya definición varía según la tipología del riesgo- en los objetivos de negocio. Se mide tanto el riesgo inherente como el residual por lo que también se determinan los controles existentes para mitigarlos así como los planes de acción adicionales necesarios si aquellos se consideran insuficientes. Para cada uno de ellos, se establece un responsable de su gestión e implementación.

Este proceso, realizado anualmente y coordinado por Auditoría Interna, permite obtener el Mapa de Riesgos de la Compañía. De este mapa se extraen los quince riesgos más relevantes que junto con las principales variaciones respecto al ejercicio anterior son presentados al Comité de Dirección para su discusión y aprobación. Esta presentación también se debate y revisa en el seno del Comité de Gobierno Corporativo y en la Comisión de Auditoría quien a su vez la eleva al Consejo de Administración para su confirmación. Indicar también que esta Comisión es actualizada trimestralmente de forma alternativa por los miembros del Comité de Dirección sobre los riesgos bajo su responsabilidad.

**E.5. Indique qué riesgos financieros y no financieros, incluidos los fiscales, se han materializado durante el ejercicio.**

**Erosión de la cifra de negocio y pérdida de cuota de mercado por la entrada progresiva de genéricos.**

Las reducciones de precios por la entrada de productos genéricos han afectado tanto al mercado americano como al europeo.

La búsqueda de nuevos productos que permitan compensar la disminución de la cifra de ventas y el desarrollo de acciones enfocadas a anticipar y contrarrestar la entrada de genéricos constituyen los planes de respuesta para mitigar este riesgo.

Cabe mencionar a este respecto el lanzamiento previsto en varios países europeos durante el 2022 de dos productos para el tratamiento tópico de la psoriasis en placa y de la queratosis actínica.

**Deterioro de activos intangibles y fondos de comercio por flujos de ingresos inferiores a los proyectados.**

Se ha producido un deterioro de los activos intangibles debido fundamentalmente a una reestimación a la baja de las previsiones de venta neta de los productos antiguos “legacy products” y de Seysara, producto adquirido a la compañía Allergan, ambos de la filial americana. Una recuperación más lenta de lo esperado de las prescripciones en dicho mercado agravada por las dificultades de acceso a los dermatólogos, tanto por parte de los pacientes como de los visitantes médicos, a raíz de la pandemia, ha sido la causa principal de esta disminución de los flujos de ingreso previstos.

La renovación del portfolio de productos de dicha filial, ya sea mediante compra o acuerdos de licencia, es el plan de acción establecido para compensar dicha situación. Es importante mencionar en esta línea el lanzamiento en marzo de 2021 del producto Klisyri para la queratosis actínica, adquirido mediante licencia a la compañía Athenex.

**Impacto prolongado y superior al esperado del COVID-19.**

Desde el inicio de la pandemia, se han desarrollado numerosas iniciativas para que todas las actividades de interacción con médicos, centros hospitalarios y pacientes no se vieran afectadas de manera significativa.

Este objetivo se ha conseguido más satisfactoriamente en el mercado europeo que en el americano, según se menciona en el punto anterior.

**E.6. Explique los planes de respuesta y supervisión para los principales riesgos de la entidad incluidos los fiscales, así como los procedimientos seguidos por la compañía para asegurar que el consejo de administración da respuesta a los nuevos desafíos que se presentan.**

Además de lo indicado en el apartado anterior, cabe mencionar los siguientes planes de respuesta para los restantes riesgos principales:

**Reducciones de precio o limitaciones en volumen para los productos existentes y dificultades en la obtención de los precios o condiciones de reembolso solicitados para los nuevos lanzamientos por decisiones de las autoridades sanitarias, con el consiguiente impacto en las previsiones de venta.**

La mitigación de este riesgo requiere de una constante interacción con las autoridades sanitarias para demostrar, entre otros aspectos, la importancia que supone para el sistema sanitario del país la comercialización de nuestros productos en términos de aportación de valor y ahorro en el gasto.

**Ataques cibernéticos o incidentes de seguridad que permiten el acceso a información confidencial o causan una interrupción de las actividades del negocio.**

Se trata de un riesgo creciente para todas las compañías y de mayor probabilidad de realización si forman parte del IBEX 35, como es el caso de Almirall. Para responder a esta situación, la Compañía sigue intensificado las acciones enfocadas a mejorar la seguridad de los datos, las capacidades de detección y los testeos de recuperación de los sistemas y aplicaciones.

**Pipeline de I+D no suficientemente equilibrado y diferenciado en sus diferentes fases para nutrir el portfolio de productos.**

Hay varios productos que se encuentran en la fase III de desarrollo pero hay una gap de proyectos en las fases I y II.

Se está realizando un esfuerzo muy relevante desde el área de licencias de I + D para aumentar el portfolio de proyectos en las fases indicadas. En este sentido, cabe destacar el reciente acuerdo de licencia exclusiva firmado con Ichnos Science para desarrollar y comercializar un anticuerpo monoclonal para enfermedades autoinmunes.

**F**

## **SISTEMAS INTERNOS DE CONTROL Y GESTIÓN DE RIESGOS EN RELACIÓN CON EL PROCESO DE EMISIÓN DE LA INFORMACIÓN FINANCIERA (SCIIF)**

**Describe los mecanismos que componen los sistemas de control y gestión de riesgos en relación con el proceso de emisión de información financiera (SCIIF) de su entidad.**

### **F.1 Entorno de control de la entidad**

Informe, señalando sus principales características de, al menos:

#### **F.1.1. Qué órganos y/o funciones son los responsables de: (i) la existencia y mantenimiento de un adecuado y efectivo SCIIF; (ii) su implantación; y (iii) su supervisión.**

El Reglamento del Consejo de Administración establece formalmente la responsabilidad de la adecuada y efectiva existencia y mantenimiento del SCIIF, así como del seguimiento periódico de los sistemas internos de información y control.

La Dirección Financiera Corporativa de Almirall asume la responsabilidad del SCIIF para que se ejecute con un diseño adecuado y un funcionamiento efectivo.

En cuanto a la responsabilidad de supervisión del SCIIF, el Reglamento del Consejo de Administración incorpora las funciones básicas de la Comisión de Auditoría, entre las que destacan la de supervisar el proceso de elaboración y la integridad de la información financiera, revisión del cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación, la correcta aplicación de los criterios contables, los sistemas internos de auditoría, así como de supervisar la política de control y gestión de riesgos.

#### **F.1.2. Si existen, especialmente en lo relativo al proceso de elaboración de la información financiera, los siguientes elementos:**

- **Departamentos y/o mecanismos encargados:** (i) del diseño y revisión de la estructura organizativa; (ii) de definir claramente las líneas de responsabilidad y autoridad, con una adecuada distribución de tareas y funciones; y (iii) de que existan procedimientos suficientes para su correcta difusión en la entidad.
- **Código de conducta,** órgano de aprobación, grado de difusión e instrucción, principios y valores incluidos (indicando si hay menciones específicas al registro de operaciones y elaboración de información financiera), órgano encargado de analizar incumplimientos y de proponer acciones correctoras y sanciones.
- **Canal de denuncias,** que permita la comunicación a la comisión de auditoría de irregularidades de naturaleza financiera y contable, en adición a eventuales

- **incumplimientos del código de conducta y actividades irregulares en la organización, informando en su caso si éste es de naturaleza confidencial.**
- **Programas de formación y actualización periódica para el personal involucrado en la preparación y revisión de la información financiera, así como en la evaluación del SCIF, que cubran al menos, normas contables, auditoría, control interno y gestión de riesgos.**

La responsabilidad del diseño y revisión de la estructura organizativa de Almirall recae en el Comité de Dirección (órgano en el que se encuentran representados los grandes ámbitos organizativos de Almirall), que define las líneas generales de la estrategia de la Sociedad y por lo tanto de la estructura necesaria para que dicha estrategia se pueda llevar a cabo, así como el procedimiento de diseño, revisión y actualización de ésta.

Almirall cuenta con un organigrama interno hasta el nivel del Consejero Delegado, disponible a todos sus empleados a través de la intranet corporativa y que abarca todas las áreas, localizaciones y empleados. Se divide por área y por departamento (incluyéndose aquellos departamentos involucrados en la preparación, análisis y supervisión de la información financiera), y detalla las dependencias jerárquicas de todos los empleados de Almirall.

En cuanto al proceso de preparación de la información financiera, además de organigramas detallados, existen instrucciones emitidas desde el Departamento de Consolidación y Reporting (en dependencia de la Dirección Financiera Corporativa), que establecen las pautas, responsabilidades y periodos específicos de cada cierre, así como procedimientos formales de cierre en los que se explicita quienes son responsables de las principales tareas, tanto a nivel corporativo como a nivel de filial.

Para los roles clave en relación al control interno de Almirall existen descripciones de puestos de trabajo definidas.

### **Código de Conducta**

El Código Ético recoge la misión y visión de la Compañía, los valores y cultura que inspiran su quehacer diario, su compromiso ético y social, las actividades en las que opera y el cumplimiento de las leyes y regulaciones que les son aplicables, los criterios de actuación con terceros y el sistema de gobierno corporativo y de compliance. Incluye también una referencia explícita al compromiso de proporcionar una información financiera veraz, completa y no sesgada a los accionistas, reguladores y, en general, a los mercados así como un apartado relativo a la comunicación de incumplimientos del mismo. Durante el mes de Octubre de 2021 se procedió a actualizar el Código Ético para hacer más fácil de usar y más accesible para los empleados de todas las filiales así como a clientes internos y externos a través de la web.

### **Canal de Denuncias**

En el mes de diciembre de 2021 se procedió a lanzar el nuevo canal de denuncias denominado internamente “Speak up”, canal para ayudar a los empleados de Almirall a trabajar juntos para hacer frente a posibles sobornos, corrupción, fraude, abuso y otras conductas que no están alineadas con el Código Ético. Se trata de un canal que se ha implementado de manera global en más de 60 idiomas y que puede ser utilizado por todos los empleados internos y colaboradores externos de Almirall que tengan acceso a los sistemas. En este canal de denuncias se ha garantizado la privacidad de los datos de los empleados de acuerdo con las directrices de la UE.

Este canal permite la comunicación de denuncias, ya sea anónimas o confidenciales, a través de un tercero, siendo las mismas gestionadas y analizadas por Recursos Humanos y Global Compliance & Privacy.

Durante este ejercicio, previamente a la puesta en marcha de este nuevo canal, se recibieron seis denuncias, todas provenientes de la filial americana.

### **Programas de Formación**



Almirall mantiene un compromiso por el desarrollo de sus empleados, como consecuencia, y para que ello se cumpla, dispone de una política de formación incorporada en su Política Corporativa de Recursos Humanos, cuyo objetivo principal es proporcionar a todos los empleados la formación necesaria para poder desarrollar sus competencias, y así poder garantizar su contribución a la mejora de resultados y a la gestión eficiente de los recursos de la compañía.

Dentro de las prácticas de contratación de Almirall se analiza que el nuevo empleado esté cualificado para el desarrollo de las responsabilidades del puesto de trabajo para el que está siendo seleccionado. La decisión de su contratación, se basa por lo tanto, en base a la formación educativa, experiencia anterior y competencias desarrolladas en el pasado.

Para los empleados actuales de Almirall, los responsables de cada departamento identifican las necesidades de formación, las cuales abarcan tanto las áreas técnicas como las de habilidades personales. Este procedimiento permite diseñar un Plan de Formación anual por departamento, el cual deberá incluir información relativa a la temática de la formación, tipología, objetivos, empleados a los que es de aplicación, y coste estimado de su realización. El presupuesto asociado al Plan de Formación anual es aprobado en primera instancia por el Director de Área o el Director General en caso de filiales, y finalmente por el Comité de Dirección.

Almirall dispone de una herramienta para el registro de las sesiones de formación que se van a realizar, hecho que permite su autorización y posterior seguimiento para determinar si se cumple con el plan establecido.

En particular, para el personal involucrado en la preparación y revisión de la información financiera, durante el ejercicio 2021 Almirall ha proporcionado a sus empleados formación en materia de:

- Normativa Contable
- Control Interno
- Gestión de Riesgos
- Auditoría Interna
- Materias fiscales
- Sistemas de Información y otros temas relacionados con la preparación de la Información Financiera.

Los datos relativos a formación recibida por los empleados en las materias indicadas durante 2021 se resumen a continuación:

Empleados que han recibido formación	66
Número de cursos / sesiones recibidas	42
Horas totales de formación	817

## **F.2 Evaluación de riesgos de la información financiera**

Informe, al menos, de:

### **F.2.1. Cuáles son las principales características del proceso de identificación de riesgos, incluyendo los de error o fraude, en cuanto a:**

- Si el proceso existe y está documentado.
- Si el proceso cubre la totalidad de objetivos de la información financiera, (existencia y ocurrencia; integridad; valoración; presentación, desglose y comparabilidad; y derechos y obligaciones), si se actualiza y con qué frecuencia.

- **La existencia de un proceso de identificación del perímetro de consolidación, teniendo en cuenta, entre otros aspectos, la posible existencia de estructuras societarias complejas, entidades instrumentales o de propósito especial.**
- **Si el proceso tiene en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, fiscales, reputacionales, medioambientales, etc.) en la medida que afecten a los estados financieros.**
- **Qué órgano de gobierno de la entidad supervisa el proceso.**

El proceso de identificación de riesgos de error o fraude en la información financiera seguido por Almirall se encuentra descrito y establece responsables, frecuencia, metodologías, tipologías de riesgos y otras pautas básicas sobre el proceso, a través de Matrices de Riesgos y Controles diseñadas para los procesos con impacto significativo en la preparación de la Información Financiera, las cuales cubren la totalidad de objetivos de la información financiera (existencia y ocurrencia, integridad, valoración, presentación, desglose y comparabilidad, y derechos y obligaciones). El mencionado proceso de identificación de riesgos se efectúa y documenta por parte de la Dirección Financiera Corporativa de Almirall y es supervisado por la Comisión de Auditoría, con el apoyo de Auditoría Interna.

El proceso se estructura de modo que, anualmente, se realiza un análisis para identificar qué áreas o procesos y en que sociedades y localizaciones se generan transacciones relevantes. Una vez identificados, estos son revisados a efectos de analizar los potenciales riesgos de error para esas tipologías de transacciones en cada objetivo de la información financiera.

En cualquier caso, si en el transcurso del ejercicio se ponen de manifiesto: (i) circunstancias no identificadas previamente que evidencien posibles errores en la información financiera, (ii) cambios substanciales en las operaciones de Almirall o (iii) cambios en el perímetro de consolidación de Almirall, la Dirección Financiera Corporativa evalúa la existencia de aquellos riesgos que deben añadirse a aquellos ya identificados.

El Departamento de Corporate Tax, que depende de la Dirección Financiera Corporativa, actualiza anualmente la estructura societaria donde se delimita el perímetro de consolidación contable y fiscal, dichos cambios son informados a todas las sociedades del Grupo Almirall.

Así también, se mantiene un registro societario continuamente actualizado que recoge la totalidad de las participaciones del Grupo Almirall, cualquiera que sea su naturaleza ya sea participación directa o indirecta.

Almirall dispone de un modelo de Gestión de Riesgos que es gestionado por la alta Dirección de la compañía encargada de identificar, clasificar, evaluar y monitorizar los riesgos teniendo en cuenta las siguientes categorías de riesgos: operacionales, estratégicos, de cumplimiento y reporting. Los riesgos identificados se evalúan en cuanto a probabilidad de ocurrencia e impacto en el negocio, teniendo en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, reputacionales, medioambientales, etc.) en la medida que afecten a los estados financieros.

Tal y como se indica en el Reglamento del Consejo de Administración, corresponde a la Comisión de Auditoría revisar periódicamente los sistemas de control interno y gestión de riesgos, para que los principales riesgos se identifiquen, gestionen y den a conocer adecuadamente.

### **F.3 Actividades de control**

Informe, señalando sus principales características, si dispone al menos de:

- F.3.1. Procedimientos de revisión y autorización de la información financiera y la descripción del SCIF, a publicar en los mercados de valores, indicando sus responsables, así como de documentación descriptiva de los flujos de actividades y controles (incluyendo los relativos a riesgo de fraude) de los distintos tipos de transacciones que puedan afectar de modo**

**material a los estados financieros, incluyendo el procedimiento de cierre contable y la revisión específica de los juicios, estimaciones, valoraciones y proyecciones relevantes.**

El procedimiento de cierre contable y de revisión y autorización de la información financiera que se publica en los mercados se inicia con el establecimiento de un calendario detallado de actividades de cierre debidamente distribuido a todas las unidades de negocio y filiales. A partir de aquí, cada filial reporta sus datos financieros de acuerdo con un formato estándar al Departamento de Consolidación y Reporting, responsable del proceso de consolidación, quien prepara las Cuentas Anuales Consolidadas, las cuales son revisadas y validadas por la Dirección Financiera Corporativa, para su posterior presentación al Comité de Dirección y a la Comisión de Auditoría.

A continuación, la Comisión de Auditoría revisa y da su conformidad a las Cuentas Anuales Individuales y Consolidadas y a los informes financieros trimestrales como paso previo a su aprobación por el Consejo de Administración. El procedimiento de análisis y discusión de la información financiera en el seno de la Comisión de Auditoría requiere la participación de los Auditores Internos y Auditores Externos junto con la Dirección Financiera Corporativa, con el objetivo de obtener sus conclusiones acerca del trabajo realizado en el ejercicio sobre la información financiera que se disponen a supervisar, y analizar los potenciales impactos en dicha información financiera que sus conclusiones pudieran tener.

El proceso finaliza con la aprobación y formulación (si aplica) por parte del Consejo de Administración de la información financiera que va a ser publicada.

Por otra parte, el informe sobre la descripción del SCIIF se elabora por parte de la Dirección Financiera Corporativa, se presenta a la Comisión de Auditoría para su revisión (con el apoyo de Auditoría Interna), y es aprobado (si aplica) por el Consejo de Administración antes de hacerse público en el mercado de valores.

En relación con la descripción de SCIIF, cabe destacar la existencia de Matrices de Riesgos y Controles diseñadas para los procesos con impacto significativo en la preparación de la Información Financiera, las cuales contienen documentación descriptiva de actividades y controles sobre el adecuado registro, valoración, presentación y desglose de las distintas clases de transacciones con impacto material en sus estados financieros.

Los principales ciclos para los que se han definido descripciones de actividades y controles han sido:

- Entorno de control a nivel de entidad
- Cierre Contable y Reporting Financiero
- Ventas y cuentas a cobrar, incluyendo ingresos por licencias y por acuerdos de co-desarrollo en I+D
- Compras de bienes y servicios y cuentas a pagar
- Inventarios
- Tesorería
- Nóminas
- Activos no corrientes
- Sistemas de Información asociados a transacciones relevantes
- Impuestos

Las Matrices de Riesgos y Controles describen las actividades de control existentes que mitigan los riesgos financieros de error material (intencionado o no) a los que se enfrenta la compañía, indicando para cada una de ellas su frecuencia, ejecución, tipología, criticidad, responsable, documentación soporte y objetivos de la información financiera que cubren, así como datos adicionales sobre sistemas tecnológicos o actividades realizadas por terceros relevantes para la eficacia del control interno. Los controles identificados y documentados formalmente incluyen tanto los relacionados directamente con transacciones que puedan afectar de modo material a los estados financieros como los relativos a riesgo de fraude.

En caso de detectarse debilidades de control interno, se realizan los planes de acción específicos para que las mismas sean solventadas en el menor tiempo posible.

Respecto a la revisión específica de los juicios, estimaciones, valoraciones y proyecciones relevantes, ésta se produce en un primer nivel en las actividades de control existentes ya sean en las transacciones recurrentes de Almirall, o mediante los mecanismos de control existentes en el proceso de preparación de la información financiera. Dependiendo del grado de juicio y estimación aplicado y del potencial impacto en los estados financieros, existe una escala posterior de discusión y revisión que alcanza la Comisión de Auditoría y Consejo de Administración en los casos de aspectos sustancialmente relevantes en la preparación de la información financiera. Cuando participan expertos terceros en áreas sujetas a juicio, estimación, valoración y proyecciones, éstos discuten y exponen sus resultados a la Dirección Financiera Corporativa, tras haber aplicado una serie de procedimientos de control y de supervisión del trabajo realizado por éstos.

**F.3.2. Políticas y procedimientos de control interno sobre los sistemas de información (entre otras, sobre seguridad de acceso, control de cambios, operación de los mismos, continuidad operativa y segregación de funciones) que soporten los procesos relevantes de la entidad en relación a la elaboración y publicación de la información financiera.**

Almirall utiliza sistemas de información para realizar y mantener un adecuado registro y control de sus operaciones. Como parte del proceso de identificación de riesgos de error en la información financiera, Almirall identifica, a través de la Dirección Financiera Corporativa, qué sistemas y aplicaciones son relevantes en su preparación. Los sistemas y aplicaciones identificados incluyen, tanto aquellos directamente utilizados en la preparación de la información financiera (la herramienta de Consolidación y el Sistema Integrado de Gestión de la Información), como las interfaces con este sistema.

Las políticas y procedimientos desarrollados por el Departamento de Information Technology de Almirall cubren la seguridad, tanto física como lógica, en cuanto a accesos (asegurando la segregación de funciones a través de una adecuada restricción de accesos), procedimientos de comprobación del diseño de nuevos sistemas o de modificaciones en los ya existentes, y la continuidad de su funcionamiento (o entrada en funcionamiento de sistemas y aplicaciones alternativos) ante imprevistos que afecten a su operación.

**F.3.3. Políticas y procedimientos de control interno destinados a supervisar la gestión de las actividades subcontratadas a terceros, así como de aquellos aspectos de evaluación, cálculo o valoración encomendados a expertos independientes, que puedan afectar de modo material a los estados financieros.**

Almirall, dentro del procedimiento que tiene establecido anualmente para determinar el alcance del SCIEF, identifica de forma específica en qué partidas financieras existen:

- Actividades subcontratadas.

En el momento de establecer un acuerdo de colaboración con una empresa subcontratada se asegura la competencia, acreditación, capacitación técnica y legal e independencia del tercero.

Almirall dispone de rigurosos criterios de contratación de terceros que aseguran la fiabilidad de la información reportada por éstos. Adicionalmente, como parte de los controles de supervisión existentes en la compañía, se asegura que se mitiga sustancialmente el riesgo de error material en los estados financieros.

- Evaluaciones, cálculos o valoraciones realizadas por expertos independientes.

Almirall utiliza a expertos en trabajos que sirven de soporte para valoraciones, juicios o cálculos contables únicamente cuando éstos están inscritos en los correspondientes Colegios Profesionales o acreditación equivalente, manifiestan su independencia y son empresas de prestigio reconocido en el mercado.

#### **F4 Información y comunicación**

Informe, señalando sus principales características, si dispone al menos de:

- F.4.1. Una función específica encargada de definir, mantener actualizadas las políticas contables (área o departamento de políticas contables) y resolver dudas o conflictos derivados de su interpretación, manteniendo una comunicación fluida con los responsables de las operaciones en la organización, así como un manual de políticas contables actualizado y comunicado a las unidades a través de las que opera la entidad.**

El Departamento de Consolidación y Reporting (dependiente de la Dirección Financiera Corporativa) es el encargado de identificar, definir y comunicar las políticas contables que afectan a Almirall, así como de responder las consultas de carácter contable que puedan llegar a plantear tanto las sociedades filiales como las distintas unidades de negocio.

La resolución de las consultas se va realizando durante el ejercicio, sin una periodicidad determinada, a medida que van surgiendo por parte de los diferentes responsables de operaciones de los departamentos o filiales del Grupo Almirall.

El propio Departamento de Consolidación y Reporting es el encargado de informar a la Alta Dirección de Almirall sobre la nueva normativa contable, sobre los resultados de la implantación de la misma y su impacto en los estados financieros, los cuales quedan recogidos en las Cuentas Anuales emitidas.

En los casos en los que la aplicación de la normativa contable sea especialmente compleja, la Dirección Financiera Corporativa comunica a los auditores externos cual ha sido su posición solicitando su opinión.

Las políticas contables de Almirall están basadas sobre las Normas Internacionales de Información Financiera adoptadas por la Unión Europea y se recogen en un documento denominado “Accounting Manual”. Este documento se revisa y actualiza con periodicidad anual.

- F.4.2. Mecanismos de captura y preparación de la información financiera con formatos homogéneos, de aplicación y utilización por todas las unidades de la entidad o del grupo, que soporten los estados financieros principales y las notas, así como la información que se detalle sobre el SCIF.**

Todas las compañías que forman parte del Consolidado del Grupo a cierre del ejercicio 2021 siguen un Plan de Cuentas único y homogéneo y un Manual de Contabilidad (“Accounting Manual”). La totalidad de ellas disponen del mismo Sistema Integrado de Gestión de la Información para la captura y preparación de la información financiera lo que garantiza su uniformidad. La información financiera reportada por todas las filiales abarca la composición de los Estados Financieros principales y las notas a los mismos. El Departamento de Consolidación y Reporting de Almirall es el responsable de obtener los datos de todas las filiales, y a partir de aquí realiza los ajustes de consolidación necesarios para obtener los datos consolidados y complementa la información financiera con las notas reservadas a Estados Financieros Consolidados.

**Para asegurar la fiabilidad de los datos reportados por las filiales, éstas deben reportar mensualmente diversa información que permita realizar el análisis de variaciones de partidas patrimoniales y resultados obtenidos sobre presupuesto mensual, en los que se interrelacionan las diversas partidas del balance y cuenta de resultados, hecho que permite un conocimiento en mayor detalle de las operaciones reportadas a nivel local.**

#### **F5 Supervisión del funcionamiento del sistema**

Informe, señalando sus principales características, al menos de:

- F.5.1. Las actividades de supervisión del SCIIF realizadas por el comité de auditoría así como si la entidad cuenta con una función de auditoría interna que tenga entre sus competencias la de apoyo al comité en su labor de supervisión del sistema de control interno, incluyendo el SCIIF. Asimismo se informará del alcance de la evaluación del SCIIF realizada en el ejercicio y del procedimiento por el cual el encargado de ejecutar la evaluación comunica sus resultados, si la entidad cuenta con un plan de acción que detalle las eventuales medidas correctoras, y si se ha considerado su impacto en la información financiera.**

Almirall cuenta con un Departamento de Auditoría de Interna con dedicación exclusiva a dicha función, que da apoyo y soporte a la Comisión de Auditoría.

Durante el ejercicio 2021 la Comisión de Auditoría, con el apoyo de Auditoría Interna, ha supervisado el modelo del SCIIF dentro de Almirall de acuerdo con el plan previsto.

- Entre las funciones de Auditoría Interna se encuentra la de supervisar el correcto diseño, implementación y efectivo funcionamiento de los sistemas de gestión de riesgos y control interno, incluyendo el SCIIF. Así mismo, durante el año también realiza el seguimiento de las posibles debilidades de control interno detectadas. Al respecto, durante 2021 han sido presentadas a la Comisión de Auditoría las conclusiones de la revisión de SCIIF y los planes de acción derivados tanto en la fase intermedia como en la fase final del testeo realizado.
- La participación del Auditor Externo y la Dirección Financiera Corporativa en las sesiones trimestrales de la Comisión de Auditoría le proporcionan información adicional para completar su labor de supervisión del SCIIF.
- El informe a cierre del ejercicio con los resultados del plan de Auditoría Interna acerca de la efectividad del SCIIF permite a la Comisión de Auditoría obtener sus conclusiones sobre el funcionamiento efectivo de los controles identificados como clave en relación al SCIIF, e identificar las debilidades existentes y consecuentemente aprobar los planes de acción propuestos.

El testeo realizado sobre los controles clave de todos los ciclos de SCIIF ha permitido abarcar la totalidad de las actividades y transacciones con impacto material en los estados financieros, suponiendo una cobertura de las principales magnitudes financieras en un rango entre el 94% y el 97% en la cuenta de pérdidas y ganancias y del 98% en balance.

Este testeo se ha ejecutado en 2 fases. Una primera orientada a verificar el correcto funcionamiento de los controles durante los primeros 7 meses del año, de acuerdo con una determinada metodología de muestreo. Y una segunda en la que se comprueba la correcta ejecución de los controles durante el último trimestre del año (con muestras más reducidas), y en la que también se testean aquellos controles que se ejecutan al cierre del ejercicio.

Las pruebas llevadas a cabo han puesto de manifiesto un buen nivel de cumplimiento en la ejecución de los controles y documentación de los mismos. No obstante, se identificaron incidencias en un 4% de los controles clave testeados durante el año, la mayoría de las cuales fueron solucionadas gracias a un continuo seguimiento durante el ejercicio, quedando al cierre anual únicamente un 1% del total de controles testeados con planes de acción en fase de implantación. Cabe mencionar que tanto las incidencias mencionadas como las acciones correctivas acordadas con la Dirección de los departamentos afectados han sido comunicadas a la Comisión de Auditoría para su conocimiento. En cualquier caso, se considera que dichas incidencias no tienen impacto material en los Estados Financieros individuales y/o consolidados.

- F.5.2. Si cuenta con un procedimiento de discusión mediante el cual, el auditor de cuentas (de acuerdo con lo establecido en las NTA), la función de auditoría interna y otros expertos puedan comunicar a la alta dirección y al comité de auditoría o administradores de la entidad las debilidades significativas de control interno identificadas durante los procesos de revisión de las cuentas anuales o aquellos otros que les hayan sido encomendados. Asimismo, informará de si dispone de un plan de acción que trate de corregir o mitigar las debilidades observadas.**

La Comisión de Auditoría se reúne, como mínimo, una vez cada tres meses (con anterioridad a la publicación de información regulada), con el objetivo de obtener y analizar la información necesaria para dar cumplimiento a las competencias que tiene encomendadas por parte del Consejo de Administración.

Se dedica especial atención a la revisión de la información financiera trimestral de la compañía, la cual es presentada por parte de la Dirección Financiera Corporativa. Para llevar a cabo este proceso, a la Comisión de Auditoría asisten Auditoría Interna, la mencionada Dirección Financiera Corporativa (responsable de la preparación de la información financiera) y el Auditor de Cuentas, con el objetivo de velar por la correcta aplicación de las normas contables vigentes y la fiabilidad de la información financiera, y poder comunicar en caso que ocurran eventuales debilidades significativas de control interno identificadas, y sus correspondientes planes de acción.

Auditoría Interna prepara y presenta un Plan Anual de Auditoría Interna, que es revisado y aprobado por la Comisión de Auditoría. En las distintas reuniones de la Comisión de Auditoría durante el año el departamento de Auditoría Interna presenta los resultados y evolución de su trabajo, poniendo especial énfasis en las debilidades de control interno identificadas, indicando para ellas los planes de acción establecidos y las fechas de implantación de los mismos.

Posteriormente, Auditoría Interna se encarga de la supervisión de la correcta implementación de las acciones correctivas recomendadas.

Previamente a los informes emitidos a la Comisión de Auditoría, Auditoría Interna discute los resultados de su trabajo con la Dirección específica del área bajo revisión. De esta forma se asegura una comunicación fluida y eficaz entre todas las partes.

En relación con los Auditores Externos, éstos presentan de forma anual el alcance, calendario y áreas clave de su trabajo de auditoría de cuentas anuales, de acuerdo con las normas de auditoría aplicables. Asimismo, de forma trimestral se reúne con la Comisión de Auditoría con el objetivo de presentar sus conclusiones del trabajo realizado y áreas de mejora. Las debilidades reportadas son comunicadas a Auditoría Interna para su inclusión en los planes de acción a llevar a cabo.

En caso que la información financiera sea considerada conforme por la Comisión de Auditoría, una vez mantenidas las reuniones necesarias con Auditoría Interna, Auditoría Externa y la Dirección Financiera Corporativa, se someterá al Consejo de Administración de Almirall, para su formulación en su caso y remisión a las autoridades del Mercado de Valores.

#### **F.6 Otra información relevante**

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#### **F.7 Informe del auditor externo**

Informe de:

- F.7.1. Si la información del SCIIF remitida a los mercados ha sido sometida a revisión por el auditor externo, en cuyo caso la entidad debería incluir el informe correspondiente como anexo. En caso contrario, debería informar de sus motivos.**

Almirall ha sometido a revisión por parte del Auditor Externo la información del SCIIF remitida a los mercados para el ejercicio 2021. El alcance de los procedimientos de revisión del auditor se han realizado de acuerdo con la Guía de Actuación y modelo de informe del auditor referidos a la información relativa, al sistema de control interno, sobre la información financiera de las entidades cotizadas de Julio 2013 publicada por la Comisión Nacional del Mercado de Valores.

Indique el grado de seguimiento de la sociedad respecto de las recomendaciones del Código de buen gobierno de las sociedades cotizadas.

En el caso de que alguna recomendación no se siga o se siga parcialmente, se deberá incluir una explicación detallada de sus motivos de manera que los accionistas, los inversores y el mercado en general, cuenten con información suficiente para valorar el proceder de la sociedad. No serán aceptables explicaciones de carácter general.

1. **Que los estatutos de las sociedades cotizadas no limiten el número máximo de votos que pueda emitir un mismo accionista, ni contengan otras restricciones que dificulten la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado.**

Cumple | X

Explique |

2. **Que, cuando la sociedad cotizada esté controlada, en el sentido del artículo 42 del Código de Comercio, por otra entidad, cotizada o no, y tenga, directamente o a través de sus filiales, relaciones de negocio con dicha entidad o alguna de sus filiales (distintas de las de la sociedad cotizada) o desarrolle actividades relacionadas con las de cualquiera de ellas informe públicamente con precisión acerca de:**

a) **Las respectivas áreas de actividad y eventuales relaciones de negocio entre, por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales.**

b) **Los mecanismos previstos para resolver los eventuales conflictos de interés que puedan presentarse.**

Cumple | Cumple parcialmente | Explique | No aplicable | X

3. **Que durante la celebración de la junta general ordinaria, como complemento de la difusión por escrito del informe anual de gobierno corporativo, el presidente del consejo de administración informe verbalmente a los accionistas, con suficiente detalle, de los aspectos más relevantes del gobierno corporativo de la sociedad y, en particular:**

a) **De los cambios acaecidos desde la anterior junta general ordinaria.**

b) **De los motivos concretos por los que la compañía no sigue alguna de las recomendaciones del Código de Gobierno Corporativo y, si existieran, de las reglas alternativas que aplique en esa materia.**

Cumple | X Cumple parcialmente | Explique |

4. **Que la sociedad defina y promueva una política relativa a la comunicación y contactos con accionistas e inversores institucionales en el marco de su implicación en la sociedad, así como con los asesores de voto que sea plenamente respetuosa con las normas contra el abuso de mercado y dé un trato semejante a los accionistas que se encuentren en la misma posición. Y que la sociedad haga pública dicha política a través de su página web, incluyendo información relativa a la forma en que la misma se ha puesto en práctica e identificando a los interlocutores o responsables de llevarla a cabo.**

**Y que, sin perjuicio de las obligaciones legales de difusión de información privilegiada y otro tipo de información regulada, la sociedad cuente también con una política general relativa a la comunicación de información económico-financiera, no financiera y corporativa a través de los canales que considere adecuados (medios de comunicación,**



redes sociales u otras vías) que contribuya a maximizar la difusión y la calidad de la información a disposición del mercado, de los inversores y demás grupos de interés.

Cumple | X      Cumple parcialmente |      Explique |

5. Que el consejo de administración no eleve a la junta general una propuesta de delegación de facultades, para emitir acciones o valores convertibles con exclusión del derecho de suscripción preferente, por un importe superior al 20% del capital en el momento de la delegación.

Y que cuando el consejo de administración apruebe cualquier emisión de acciones o de valores convertibles con exclusión del derecho de suscripción preferente, la sociedad publique inmediatamente en su página web los informes sobre dicha exclusión a los que hace referencia la legislación mercantil.

Cumple | X      Cumple parcialmente |      Explique |

6. Que las sociedades cotizadas que elaboren los informes que se citan a continuación, ya sea de forma preceptiva o voluntaria, los publiquen en su página web con antelación suficiente a la celebración de la junta general ordinaria, aunque su difusión no sea obligatoria:

- a) Informe sobre la independencia del auditor.
- b) Informes de funcionamiento de las comisiones de auditoría y de nombramientos y retribuciones.
- c) Informe de la comisión de auditoría sobre operaciones vinculadas.

Cumple | X      Cumple parcialmente |      Explique |

7. Que la sociedad transmita en directo, a través de su página web, la celebración de las juntas generales de accionistas.

Y que la sociedad cuente con mecanismos que permitan la delegación y el ejercicio del voto por medios telemáticos e incluso, tratándose de sociedades de elevada capitalización y en la medida en que resulte proporcionado, la asistencia y participación activa en la Junta General.

Cumple |      Explique | X

La sociedad entiende que ya tiene arbitrados los cauces oportunos para la participación activa del accionista en la Junta, demostrando además la experiencia de los últimos años que los mismos (voto y representación electrónica y foro electrónico de accionistas), pese a estar disponibles, son escasamente utilizados por los accionistas. En cualquier caso, inmediatamente después de la Junta se comunican los acuerdos a CNMV como otra información relevante y la sociedad publica un resumen del desarrollo de la Junta en su web corporativa. En 2021 y debido a la situación de la pandemia, la sociedad decidió celebrar sus Juntas Generales por medios exclusivamente telemáticos.

8. Que la comisión de auditoría vele por que las cuentas anuales que el consejo de administración presente a la junta general de accionistas se elaboren de conformidad con la normativa contable. Y que en aquellos supuestos en que el auditor de cuentas haya incluido en su informe de auditoría alguna salvedad, el presidente de la comisión de auditoría explique con claridad en la junta general el parecer de la comisión de auditoría sobre su contenido y alcance, poniéndose a disposición de los accionistas en el momento de la publicación de la convocatoria de la junta, junto con el resto de propuestas e informes del consejo, un resumen de dicho parecer.

Cumple | ☒ Cumple parcialmente | Explique |

9. Que la sociedad haga públicos en su página web, de manera permanente, los requisitos y procedimientos que aceptará para acreditar la titularidad de acciones, el derecho de asistencia a la junta general de accionistas y el ejercicio o delegación del derecho de voto.

Y que tales requisitos y procedimientos favorezcan la asistencia y el ejercicio de sus derechos a los accionistas y se apliquen de forma no discriminatoria.

Cumple | ☒ Cumple parcialmente | Explique |

10. Que cuando algún accionista legitimado haya ejercitado, con anterioridad a la celebración de la junta general de accionistas, el derecho a completar el orden del día o a presentar nuevas propuestas de acuerdo, la sociedad:

- a) Difunda de inmediato tales puntos complementarios y nuevas propuestas de acuerdo.
- b) Haga público el modelo de tarjeta de asistencia o formulario de delegación de voto o voto a distancia con las modificaciones precisas para que puedan votarse los nuevos puntos del orden del día y propuestas alternativas de acuerdo en los mismos términos que los propuestos por el consejo de administración.
- c) Someta todos esos puntos o propuestas alternativas a votación y les aplique las mismas reglas de voto que a las formuladas por el consejo de administración, incluidas, en particular, las presunciones o deducciones sobre el sentido del voto.
- d) Con posterioridad a la junta general de accionistas, comunique el desglose del voto sobre tales puntos complementarios o propuestas alternativas.

Cumple | ☒ Cumple parcialmente | Explique | No aplicable |

11. Que, en el caso de que la sociedad tenga previsto pagar primas de asistencia a la junta general de accionistas, establezca, con anterioridad, una política general sobre tales primas y que dicha política sea estable.

Cumple | Cumple parcialmente | Explique | No aplicable | ☒

12. Que el consejo de administración desempeñe sus funciones con unidad de propósito e independencia de criterio, dispense el mismo trato a todos los accionistas que se hallen en la misma posición y se guíe por el interés social, entendido como la consecución de un negocio rentable y sostenible a largo plazo, que promueva su continuidad y la maximización del valor económico de la empresa.

Y que en la búsqueda del interés social, además del respeto de las leyes y reglamentos y de un comportamiento basado en la buena fe, la ética y el respeto a los usos y a las buenas prácticas comúnmente aceptadas, procure conciliar el propio interés social con, según corresponda, los legítimos intereses de sus empleados, sus proveedores, sus clientes y los de los restantes grupos de interés que puedan verse afectados, así como el impacto de las actividades de la compañía en la comunidad en su conjunto y en el medio ambiente

Cumple | ☒ Cumple parcialmente | Explique |

13. Que el consejo de administración posea la dimensión precisa para lograr un funcionamiento eficaz y participativo, lo que hace aconsejable que tenga entre cinco y quince miembros.

Cumple | X

Explique |

14. Que el consejo de administración apruebe una política dirigida a favorecer una composición apropiada del consejo de administración y que:

- a) Sea concreta y verificable.
- b) Asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las necesidades del consejo de administración.
- c) Favorezca la diversidad de conocimientos, experiencias, edad y género. A estos efectos, se considera que favorecen la diversidad de género las medidas que fomenten que la compañía cuente con un número significativo de altas directivas.

Que el resultado del análisis previo de las competencias requeridas por el consejo de administración se recoja en el informe justificativo de la comisión de nombramientos que se publique al convocar la junta general de accionistas a la que se someta la ratificación, el nombramiento o la reelección de cada consejero.

La comisión de nombramientos verificará anualmente el cumplimiento de esta política y se informará de ello en el informe anual de gobierno corporativo.

Cumple | X

Cumple parcialmente |

Explique |

15. Que los consejeros dominicales e independientes constituyan una amplia mayoría del consejo de administración y que el número de consejeros ejecutivos sea el mínimo necesario, teniendo en cuenta la complejidad del grupo societario y el porcentaje de participación de los consejeros ejecutivos en el capital de la sociedad.

Y que el número de consejeras suponga, al menos, el 40% de los miembros del consejo de administración antes de que finalice 2022 y en adelante, no siendo con anterioridad inferior al 30%.

Cumple | X

Cumple parcialmente |

Explique |

16. Que el porcentaje de consejeros dominicales sobre el total de consejeros no ejecutivos no sea mayor que la proporción existente entre el capital de la sociedad representado por dichos consejeros y el resto del capital.

Este criterio podrá atenuarse:

- a) En sociedades de elevada capitalización en las que sean escasas las participaciones accionariales que tengan legalmente la consideración de significativas.
- b) Cuando se trate de sociedades en las que exista una pluralidad de accionistas representados en el consejo de administración y no tengan vínculos entre sí.

Cumple | X Explique |

17. Que el número de consejeros independientes represente, al menos, la mitad del total de consejeros.

Que, sin embargo, cuando la sociedad no sea de elevada capitalización o cuando, aun siéndolo, cuente con un accionista o varios actuando concertadamente, que controlen más del 30% del capital social, el número de consejeros independientes represente, al menos, un tercio del total de consejeros.

Cumple | ☒ X                      Explique |

**18. Que las sociedades hagan pública a través de su página web, y mantengan actualizada, la siguiente información sobre sus consejeros:**

- a) Perfil profesional y biográfico.
- b) Otros consejos de administración a los que pertenezcan, se trate o no de sociedades cotizadas, así como sobre las demás actividades retribuidas que realice cualquiera que sea su naturaleza.
- c) Indicación de la categoría de consejero a la que pertenezcan, señalándose, en el caso de consejeros dominicales, el accionista al que representen o con quien tengan vínculos.
- d) Fecha de su primer nombramiento como consejero en la sociedad, así como de las posteriores reelecciones.
- e) Acciones de la compañía, y opciones sobre ellas, de las que sean titulares.

Cumple | ☒ X            Cumple parcialmente |    Explique |

**19. Que en el informe anual de gobierno corporativo, previa verificación por la comisión de nombramientos, se expliquen las razones por las cuales se hayan nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial sea inferior al 3% del capital; y se expongan las razones por las que no se hubieran atendido, en su caso, peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial sea igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales.**

Cumple |                      Cumple parcialmente |    Explique |            No aplicable | ☒ X

**20. Que los consejeros dominicales presenten su dimisión cuando el accionista a quien representen transmita íntegramente su participación accionarial. Y que también lo hagan, en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de sus consejeros dominicales.**

Cumple | ☒ X                      Cumple parcialmente |    Explique |            No aplicable |

**21. Que el consejo de administración no proponga la separación de ningún consejero independiente antes del cumplimiento del período estatutario para el que hubiera sido nombrado, salvo cuando concorra justa causa, apreciada por el consejo de administración previo informe de la comisión de nombramientos. En particular, se entenderá que existe justa causa cuando el consejero pase a ocupar nuevos cargos o contraiga nuevas obligaciones que le impidan dedicar el tiempo necesario al desempeño de las funciones propias del cargo de consejero, incumpla los deberes inherentes a su cargo o incurra en algunas de las circunstancias que le hagan perder su condición de independiente, de acuerdo con lo establecido en la legislación aplicable.**

También podrá proponerse la separación de consejeros independientes como consecuencia de ofertas públicas de adquisición, fusiones u otras operaciones corporativas similares que supongan un cambio en la estructura de capital de la sociedad, cuando tales cambios en la estructura del consejo de administración vengán propiciados por el criterio de proporcionalidad señalado en la recomendación 16.

Cumple | ☒ X                      Explique |

**22. Que las sociedades establezcan reglas que obliguen a los consejeros a informar y, en su caso, a dimitir cuando se den situaciones que les afecten, relacionadas o no con su actuación en la propia sociedad, que puedan perjudicar al crédito y reputación de esta**

y, en particular, que les obliguen a informar al consejo de administración de cualquier causa penal en la que aparezcan como investigados, así como de sus vicisitudes procesales.

Y que, habiendo sido informado o habiendo conocido el consejo de otro modo alguna de las situaciones mencionadas en el párrafo anterior, examine el caso tan pronto como sea posible y, atendiendo a las circunstancias concretas, decida, previo informe de la comisión de nombramientos y retribuciones, si debe o no adoptar alguna medida, como la apertura de una investigación interna, solicitar la dimisión del consejero o proponer su cese. Y que se informe al respecto en el informe anual de gobierno corporativo, salvo que concurran circunstancias especiales que lo justifiquen, de lo que deberá dejarse constancia en acta. Ello sin perjuicio de la información que la sociedad deba difundir, de resultar procedente, en el momento de la adopción de las medidas correspondientes.

Cumple | X      Cumple parcialmente |      Explique |

23. Que todos los consejeros expresen claramente su oposición cuando consideren que alguna propuesta de decisión sometida al consejo de administración puede ser contraria al interés social. Y que otro tanto hagan, de forma especial, los independientes y demás consejeros a quienes no afecte el potencial conflicto de intereses, cuando se trate de decisiones que puedan perjudicar a los accionistas no representados en el consejo de administración.

Y que cuando el consejo de administración adopte decisiones significativas o reiteradas sobre las que el consejero hubiera formulado serias reservas, este saque las conclusiones que procedan y, si optara por dimitir, explique las razones en la carta a que se refiere la recomendación siguiente.

Esta recomendación alcanza también al secretario del consejo de administración, aunque no tenga la condición de consejero.

Cumple |      Cumple parcialmente |      Explique |      No aplicable | X

24. Que cuando, ya sea por dimisión o por acuerdo de la junta general, un consejero cese en su cargo antes del término de su mandato, explique de manera suficiente las razones de su dimisión o, en el caso de consejeros no ejecutivos, su parecer sobre los motivos del cese por la junta, en una carta que remitirá a todos los miembros del consejo de administración.

Y que, sin perjuicio de que se dé cuenta de todo ello en el informe anual de gobierno corporativo, en la medida en que sea relevante para los inversores, la sociedad publique a la mayor brevedad posible el cese incluyendo referencia suficiente a los motivos o circunstancias aportados por el consejero.

Cumple | X      Cumple parcialmente |      Explique |      No aplicable |

25. Que la comisión de nombramientos se asegure de que los consejeros no ejecutivos tienen suficiente disponibilidad de tiempo para el correcto desarrollo de sus funciones.

Y que el reglamento del consejo establezca el número máximo de consejos de sociedades de los que pueden formar parte sus consejeros.

Cumple |      Cumple parcialmente | X      Explique |

No se cumple únicamente en cuanto a las reglas sobre el número de consejos de los que puedan formar parte los consejeros de la compañía, y ello por no considerarse necesario atendida la composición y miembros que conforman el Consejo. De los miembros del Consejo, el Presidente (D. Jorge Gallardo) es un consejero (i) con una participación elevada en el capital de la misma, (ii) que no forma parte del consejo

de ninguna otra sociedad cotizada y (iii) que desempeña sus funciones con amplia dedicación a la sociedad probada durante muchos años, otros (D. Antonio Gallardo Torrededía y D. Carlos Gallardo Piqué) forman parte del núcleo familiar de los accionistas de control, y los otros consejeros son personalidades de reconocido prestigio en el mundo médico y de los negocios sobre las que no se advierte duda alguna sobre su dedicación a la compañía, dedicación que por otra parte han venido demostrando tanto con su activa participación en el Consejo como en las Comisiones de las que son miembros. Asimismo de detectarse que la participación en otros Consejos puede ir en detrimento del desempeño de sus funciones en la sociedad, la compañía dispone de medios para remover de sus cargos a los consejeros.

- 26. Que el consejo de administración se reúna con la frecuencia precisa para desempeñar con eficacia sus funciones y, al menos, ocho veces al año, siguiendo el programa de fechas y asuntos que establezca al inicio del ejercicio, pudiendo cada consejero individualmente proponer otros puntos del orden del día inicialmente no previstos.**

Cumple | Cumple parcialmente | Explique | X

En el ejercicio 2021 y atendidas las particularidades derivadas de la pandemia, el número de reuniones del Consejo de Administración ha sido de 7.

- 27. Que las inasistencias de los consejeros se reduzcan a los casos indispensables y se cuantifiquen en el informe anual de gobierno corporativo. Y que, cuando deban producirse, se otorgue representación con instrucciones.**

Cumple | X Cumple parcialmente | Explique |

- 28. Que cuando los consejeros o el secretario manifiesten preocupación sobre alguna propuesta o, en el caso de los consejeros, sobre la marcha de la sociedad y tales preocupaciones no queden resueltas en el consejo de administración, a petición de quien las hubiera manifestado, se deje constancia de ellas en el acta.**

Cumple | Cumple parcialmente | Explique | No aplicable | X

- 29. Que la sociedad establezca los cauces adecuados para que los consejeros puedan obtener el asesoramiento preciso para el cumplimiento de sus funciones incluyendo, si así lo exigieran las circunstancias, asesoramiento externo con cargo a la empresa.**

Cumple | X Cumple parcialmente | Explique |

- 30. Que, con independencia de los conocimientos que se exijan a los consejeros para el ejercicio de sus funciones, las sociedades ofrezcan también a los consejeros programas de actualización de conocimientos cuando las circunstancias lo aconsejen.**

Cumple | X Cumple parcialmente | Explique |

- 31. Que el orden del día de las sesiones indique con claridad aquellos puntos sobre los que el consejo de administración deberá adoptar una decisión o acuerdo para que los consejeros puedan estudiar o recabar, con carácter previo, la información precisa para su adopción.**

Cuando, excepcionalmente, por razones de urgencia, el presidente quiera someter a la aprobación del consejo de administración decisiones o acuerdos que no figuraran en el orden del día, será preciso el consentimiento previo y expreso de la mayoría de los consejeros presentes, del que se dejará debida constancia en el acta.

Cumple | X Cumple parcialmente | Explique |

32. Que los consejeros sean periódicamente informados de los movimientos en el accionariado y de la opinión que los accionistas significativos, los inversores y las agencias de calificación tengan sobre la sociedad y su grupo.

Cumple | X      Cumple parcialmente |      Explique |

33. Que el presidente, como responsable del eficaz funcionamiento del consejo de administración, además de ejercer las funciones que tiene legal y estatutariamente atribuidas, prepare y someta al consejo de administración un programa de fechas y asuntos a tratar; organice y coordine la evaluación periódica del consejo, así como, en su caso, la del primer ejecutivo de la sociedad; sea responsable de la dirección del consejo y de la efectividad de su funcionamiento; se asegure de que se dedica suficiente tiempo de discusión a las cuestiones estratégicas, y acuerde y revise los programas de actualización de conocimientos para cada consejero, cuando las circunstancias lo aconsejen.

Cumple | X      Cumple parcialmente |      Explique |

34. Que cuando exista un consejero coordinador, los estatutos o el reglamento del consejo de administración, además de las facultades que le corresponden legalmente, le atribuya las siguientes: presidir el consejo de administración en ausencia del presidente y de los vicepresidentes, en caso de existir; hacerse eco de las preocupaciones de los consejeros no ejecutivos; mantener contactos con inversores y accionistas para conocer sus puntos de vista a efectos de formarse una opinión sobre sus preocupaciones, en particular, en relación con el gobierno corporativo de la sociedad; y coordinar el plan de sucesión del presidente.

Cumple |      Cumple parcialmente |      Explique |      No aplicable | X

35. Que el secretario del consejo de administración vele de forma especial para que en sus actuaciones y decisiones el consejo de administración tenga presentes las recomendaciones sobre buen gobierno contenidas en este Código de buen gobierno que fueran aplicables a la sociedad.

Cumple | X      Explique |

36. Que el consejo de administración en pleno evalúe una vez al año y adopte, en su caso, un plan de acción que corrija las deficiencias detectadas respecto de:

- a) La calidad y eficiencia del funcionamiento del consejo de administración.
- b) El funcionamiento y la composición de sus comisiones.
- c) La diversidad en la composición y competencias del consejo de administración.
- d) El desempeño del presidente del consejo de administración y del primer ejecutivo de la sociedad.
- e) El desempeño y la aportación de cada consejero, prestando especial atención a los responsables de las distintas comisiones del consejo.

Para la realización de la evaluación de las distintas comisiones se partirá del informe que estas eleven al consejo de administración, y para la de este último, del que le eleve la comisión de nombramientos.

Cada tres años, el consejo de administración será auxiliado para la realización de la evaluación por un consultor externo, cuya independencia será verificada por la comisión de nombramientos.

Las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo deberán ser desglosadas en el informe anual de gobierno corporativo.

**El proceso y las áreas evaluadas serán objeto de descripción en el informe anual de gobierno corporativo.**

Cumple | ☒ X Cumple parcialmente | Explique |

- 37. Que cuando exista una comisión ejecutiva en ella haya presencia de al menos dos consejeros no ejecutivos, siendo al menos uno de ellos independiente; y que su secretario sea el del consejo de administración.**

Cumple | Cumple parcialmente | Explique | No aplicable | ☒ X

- 38. Que el consejo de administración tenga siempre conocimiento de los asuntos tratados y de las decisiones adoptadas por la comisión ejecutiva y que todos los miembros del consejo de administración reciban copia de las actas de las sesiones de la comisión ejecutiva.**

Cumple | Cumple parcialmente | Explique | No aplicable | ☒ X

- 39. Que los miembros de la comisión de auditoría en su conjunto, y de forma especial su presidente, se designen teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría y gestión de riesgos, tanto financieros como no financieros.**

Cumple | ☒ X Cumple parcialmente | Explique |

- 40. Que bajo la supervisión de la comisión de auditoría, se disponga de una unidad que asuma la función de auditoría interna que vele por el buen funcionamiento de los sistemas de información y control interno y que funcionalmente dependa del presidente no ejecutivo del consejo o del de la comisión de auditoría.**

Cumple | ☒ X Cumple parcialmente | Explique |

- 41. Que el responsable de la unidad que asuma la función de auditoría interna presente a la comisión de auditoría, para su aprobación por esta o por el consejo, su plan anual de trabajo, le informe directamente de su ejecución, incluidas las posibles incidencias y limitaciones al alcance que se presenten en su desarrollo, los resultados y el seguimiento de sus recomendaciones y le someta al final de cada ejercicio un informe de actividades**

Cumple | ☒ X Cumple parcialmente | Explique | No aplicable |

- 42. Que, además de las previstas en la ley, correspondan a la comisión de auditoría las siguientes funciones:**

**1. En relación con los sistemas de información y control interno:**

- a) Supervisar y evaluar el proceso de elaboración y la integridad de la información financiera y no financiera, así como los sistemas de control y gestión de riesgos financieros y no financieros relativos a la sociedad y, en su caso, al grupo — incluyendo los operativos, tecnológicos, legales, sociales, medioambientales, políticos y reputacionales o relacionados con la corrupción— revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.**
- b) Velar por la independencia de la unidad que asume la función de auditoría interna; proponer la selección, nombramiento y cese del responsable del servicio de auditoría interna;**



proponer el presupuesto de ese servicio; aprobar o proponer la aprobación al consejo de la orientación y el plan de trabajo anual de la auditoría interna, asegurándose de que su actividad esté enfocada principalmente en los riesgos relevantes (incluidos los reputacionales); recibir información periódica sobre sus actividades; y verificar que la alta dirección tenga en cuenta las conclusiones y recomendaciones de sus informes.

- c) Establecer y supervisar un mecanismo que permita a los empleados y a otras personas relacionadas con la sociedad, tales como consejeros, accionistas, proveedores, contratistas o subcontratistas, comunicar las irregularidades de potencial trascendencia, incluyendo las financieras y contables, o de cualquier otra índole, relacionadas con la compañía que adviertan en el seno de la empresa o su grupo. Dicho mecanismo deberá garantizar la confidencialidad y, en todo caso, prever supuestos en los que las comunicaciones puedan realizarse de forma anónima, respetando los derechos del denunciante y denunciado.
- d) Velar en general por que las políticas y sistemas establecidos en materia de control interno se apliquen de modo efectivo en la práctica.

**2. En relación con el auditor externo:**

- a) En caso de renuncia del auditor externo, examinar las circunstancias que la hubieran motivado.
- b) Velar que la retribución del auditor externo por su trabajo no comprometa su calidad ni su independencia.
- c) Supervisar que la sociedad comunique como hecho relevante a la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido.
- d) Asegurar que el auditor externo mantenga anualmente una reunión con el pleno del consejo de administración para informarle sobre el trabajo realizado y sobre la evolución de la situación contable y de riesgos de la sociedad.
- e) Asegurar que la sociedad y el auditor externo respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría, los límites a la concentración del negocio del auditor y, en general, las demás normas sobre independencia de los auditores.

Cumple | ☒ Cumple parcialmente | Explique |

- 43. Que la comisión de auditoría pueda convocar a cualquier empleado o directivo de la sociedad, e incluso disponer que comparezcan sin presencia de ningún otro directivo.**

Cumple | ☒ Cumple parcialmente | Explique |

- 44. Que la comisión de auditoría sea informada sobre las operaciones de modificaciones estructurales y corporativas que proyecte realizar la sociedad para su análisis e informe previo al consejo de administración sobre sus condiciones económicas y su impacto contable y, en especial, en su caso, sobre la ecuación de canje propuesta.**

Cumple | ☒ Cumple parcialmente | Explique | No aplicable |

**45. Que la política de control y gestión de riesgos identifique o determine al menos:**

- a) Los distintos tipos de riesgo, financieros y no financieros (entre otros los operativos, tecnológicos, legales, sociales, medio ambientales, políticos y reputacionales, incluidos los relacionados con la corrupción) a los que se enfrenta la sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.
- b) Un modelo de control y gestión de riesgos basado en diferentes niveles, del que formará parte una comisión especializada en riesgos cuando las normas sectoriales lo prevean o la sociedad lo estime apropiado.
- c) El nivel de riesgo que la sociedad considere aceptable.
- d) Las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.
- e) Los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.

Cumple | X      Cumple parcialmente |      Explique |

**46. Que bajo la supervisión directa de la comisión de auditoría o, en su caso, de una comisión especializada del consejo de administración, exista una función interna de control y gestión de riesgos ejercida por una unidad o departamento interno de la sociedad que tenga atribuidas expresamente las siguientes funciones:**

- a) Asegurar el buen funcionamiento de los sistemas de control y gestión de riesgos y, en particular, que se identifiquen, gestionen, y cuantifiquen adecuadamente todos los riesgos importantes que afecten a la sociedad.
- b) Participar activamente en la elaboración de la estrategia de riesgos y en las decisiones importantes sobre su gestión.
- c) Velar por que los sistemas de control y gestión de riesgos mitiguen los riesgos adecuadamente en el marco de la política definida por el consejo de administración.

Cumple | X      Cumple parcialmente |      Explique |

**47. Que los miembros de la comisión de nombramientos y de retribuciones –o de la comisión de nombramientos y la comisión de retribuciones, si estuvieren separadas– se designen procurando que tengan los conocimientos, aptitudes y experiencia adecuados a las funciones que estén llamados a desempeñar y que la mayoría de dichos miembros sean consejeros independientes.**

Cumple | X      Cumple parcialmente |      Explique |

**48. Que las sociedades de elevada capitalización cuenten con una comisión de nombramientos y con una comisión de remuneraciones separadas.**

Cumple |      Explique |      No aplicable | X

**49. Que la comisión de nombramientos consulte al presidente del consejo de administración y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos.**

**Y que cualquier consejero pueda solicitar de la comisión de nombramientos que tome en consideración, por si los encuentra idóneos a su juicio, potenciales candidatos para**

**cubrir vacantes de consejero.**

Cumple | ☒ X Cumple parcialmente | Explique |

**50. Que la comisión de retribuciones ejerza sus funciones con independencia y que, además de las funciones que le atribuya la ley, le correspondan las siguientes:**

- a) Proponer al consejo de administración las condiciones básicas de los contratos de los altos directivos.**
- b) Comprobar la observancia de la política retributiva establecida por la sociedad.**
- c) Revisar periódicamente la política de remuneraciones aplicada a los consejeros y altos directivos, incluidos los sistemas retributivos con acciones y su aplicación, así como garantizar que su remuneración individual sea proporcionada a la que se pague a los demás consejeros y altos directivos de la sociedad.**
- d) Velar por que los eventuales conflictos de intereses no perjudiquen la independencia del asesoramiento externo prestado a la comisión.**
- e) Verificar la información sobre remuneraciones de los consejeros y altos directivos contenida en los distintos documentos corporativos, incluido el informe anual sobre remuneraciones de los consejeros.**

Cumple | ☒ X Cumple parcialmente | Explique |

**51. Que la comisión de retribuciones consulte al presidente y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos y altos directivos.**

Cumple | ☒ X Cumple parcialmente | Explique |

**52. Que las reglas de composición y funcionamiento de las comisiones de supervisión y control figuren en el reglamento del consejo de administración y que sean consistentes con las aplicables a las comisiones legalmente obligatorias conforme a las recomendaciones anteriores, incluyendo:**

- a) Que estén compuestas exclusivamente por consejeros no ejecutivos, con mayoría de consejeros independientes.**
- b) Que sus presidentes sean consejeros independientes.**
- c) Que el consejo de administración designe a los miembros de estas comisiones teniendo presentes los conocimientos, aptitudes y experiencia de los consejeros y los cometidos de cada comisión, delibere sobre sus propuestas e informes; y que rindan cuentas, en el primer pleno del consejo de administración posterior a sus reuniones, de su actividad y que respondan del trabajo realizado.**
- d) Que las comisiones puedan recabar asesoramiento externo, cuando lo consideren necesario para el desempeño de sus funciones.**
- e) Que de sus reuniones se levante acta, que se pondrá a disposición de todos los consejeros.**

Cumple | ☒ X Cumple parcialmente | Explique | No aplicable |

**53. Que la supervisión del cumplimiento de las políticas y reglas de la sociedad en materia medioambiental, social y de gobierno corporativo, así como de los códigos internos de conducta, se atribuya a una o se reparta entre varias comisiones del consejo de administración que podrán ser la comisión de auditoría, la de nombramientos, una comisión especializada en sostenibilidad o responsabilidad social corporativa u otra**

comisión especializada que el consejo de administración, en ejercicio de sus facultades de auto-organización, haya decidido crear. Y que tal comisión esté integrada únicamente por consejeros no ejecutivos, siendo la mayoría independientes y se le atribuyan específicamente las funciones mínimas que se indican en la recomendación siguiente.

Cumple | X Cumple parcialmente | Explique |

54. Las funciones mínimas a las que se refiere la recomendación anterior son las siguientes:

- a) La supervisión del cumplimiento de las reglas de gobierno corporativo y de los códigos internos de conducta de la empresa, velando asimismo por que la cultura corporativa esté alineada con su propósito y valores.
- b) La supervisión de la aplicación de la política general relativa a la comunicación de información económico-financiera, no financiera y corporativa así como a la comunicación con accionistas e inversores, asesores de voto y otros grupos de interés. Asimismo se hará seguimiento del modo en que la entidad se comunica y relaciona con los pequeños y medianos accionistas.
- c) La evaluación y revisión periódica del sistema de gobierno corporativo y de la política en materia medioambiental y social de la sociedad, con el fin de que cumplan su misión de promover el interés social y tengan en cuenta, según corresponda, los legítimos intereses de los restantes grupos de interés.
- d) La supervisión de que las prácticas de la sociedad en materia medioambiental y social se ajustan a la estrategia y política fijadas.
- e) La supervisión y evaluación de los procesos de relación con los distintos grupos de interés.

Cumple | X Cumple parcialmente | Explique |

55. Que las políticas de sostenibilidad en materias medioambientales y sociales identifiquen e incluyan al menos:

- a) Los principios, compromisos, objetivos y estrategia en lo relativo a accionistas, empleados, clientes, proveedores, cuestiones sociales, medio ambiente, diversidad, responsabilidad fiscal, respeto de los derechos humanos y prevención de la corrupción y otras conductas ilegales
- b) Los métodos o sistemas para el seguimiento del cumplimiento de las políticas, de los riesgos asociados y su gestión.
- c) Los mecanismos de supervisión del riesgo no financiero, incluido el relacionado con aspectos éticos y de conducta empresarial.
- d) Los canales de comunicación, participación y diálogo con los grupos de interés.
- e) Las prácticas de comunicación responsable que eviten la manipulación informativa y protejan la integridad y el honor.

Cumple | X Cumple parcialmente | Explique |

56. Que la remuneración de los consejeros sea la necesaria para atraer y retener a los consejeros del perfil deseado y para retribuir la dedicación, cualificación y responsabilidad que el cargo exija, pero no tan elevada como para comprometer la independencia de criterio de los consejeros no ejecutivos.

Cumple | X Cumple parcialmente | Explique |

57. Que se circunscriban a los consejeros ejecutivos las remuneraciones variables ligadas al rendimiento de la sociedad y al desempeño personal, así como la remuneración mediante entrega de acciones, opciones o derechos sobre acciones o instrumentos referenciados al valor de la acción y los sistemas de ahorro a largo plazo tales como planes de pensiones, sistemas de jubilación u otros sistemas de previsión social.

**Se podrá contemplar la entrega de acciones como remuneración a los consejeros no ejecutivos cuando se condicione a que las mantengan hasta su cese como consejeros. Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar, en su caso, para satisfacer los costes relacionados con su adquisición.**

Cumple |

Explique | X

*En la Junta General de 8 de mayo de 2019 se adoptó el acuerdo de **Aprobar la aplicación de la fórmula de remuneración de los consejeros consistente en que una parte de la retribución fija que los consejeros perciben en su condición de tales pueda ser abonada, si el Consejo así lo acuerda, mediante entrega de acciones propias, de forma que los consejeros, en cada una de las fechas trimestrales de cobro de la retribución fija, perciban la cantidad fija que les corresponda parte en dinero y parte en acciones, tomándose a tal efecto como referencia el valor de las acciones a cierre de mercado de la sesión bursátil inmediatamente anterior a la fecha en que se abone la remuneración. El pago de la remuneración fija dicha mediante acciones propias no podrá exceder del 50% de la retribución individual de cada consejero en cada ejercicio. El número máximo de acciones que podrán asignarse en cada ejercicio a este sistema de remuneración será de 50.000 y el número de ejercicios en que podrá remunerarse de este modo es de 5 incluyendo el presente ejercicio (esto es, 2019, 2020, 2021, 2022 y 2023). No obstante, no se ha realizado ninguna entrega de acciones a consejeros en 2021 en aplicación de esta fórmula remunerativa, ni en principio se prevé que ocurra en 2022.***

- 58. Que en caso de remuneraciones variables, las políticas retributivas incorporen los límites y las cautelas técnicas precisas para asegurar que tales remuneraciones guardan relación con el rendimiento profesional de sus beneficiarios y no derivan solamente de la evolución general de los mercados o del sector de actividad de la compañía o de otras circunstancias similares.**

Y, en particular, que los componentes variables de las remuneraciones:

- a) **Estén vinculados a criterios de rendimiento que sean predeterminados y medibles y que dichos criterios consideren el riesgo asumido para la obtención de un resultado.**
- b) **Promuevan la sostenibilidad de la empresa e incluyan criterios no financieros que sean adecuados para la creación de valor a largo plazo, como el cumplimiento de las reglas y los procedimientos internos de la sociedad y de sus políticas para el control y gestión de riesgos.**
- c) **Se configuren sobre la base de un equilibrio entre el cumplimiento de objetivos a corto, medio y largo plazo, que permitan remunerar el rendimiento por un desempeño continuado durante un período de tiempo suficiente para apreciar su contribución a la creación sostenible de valor, de forma que los elementos de medida de ese rendimiento no giren únicamente en torno a hechos puntuales, ocasionales o extraordinarios.**

Cumple | X

Cumple parcialmente |

Explique |

No aplicable |

- 59. Que el pago de los componentes variables de la remuneración quede sujeto a una comprobación suficiente de que se han cumplido de modo efectivo las condiciones de rendimiento o de otro tipo previamente establecidas. Las entidades incluirán en el informe anual de remuneraciones de los consejeros los criterios en cuanto al tiempo requerido y métodos para tal comprobación en función de la naturaleza y características de cada componente variable.**

**Que, adicionalmente, las entidades valoren el establecimiento de una cláusula de reducción ('malus') basada en el diferimiento por un período suficiente del pago de una**

parte de los componentes variables que implique su pérdida total o parcial en el caso de que con anterioridad al momento del pago se produzca algún evento que lo haga aconsejable.

Cumple | ☒ Cumple parcialmente | Explique | No aplicable |

- 60. Que las remuneraciones relacionadas con los resultados de la sociedad tomen en cuenta las eventuales salvedades que consten en el informe del auditor externo y minoren dichos resultados.**

Cumple | Cumple parcialmente | Explique | No aplicable | ☒

- 61. Que un porcentaje relevante de la remuneración variable de los consejeros ejecutivos esté vinculado a la entrega de acciones o de instrumentos financieros referenciados a su valor.**

Cumple | Cumple parcialmente | Explique | ☒ No aplicable |

En aplicación del SEUP de la compañía ni se atribuyen acciones, ni opciones ni derechos sobre acciones de la compañía. No existe entrega de ninguno de los indicados instrumentos. El SEUP es un sistema remunerativo referenciado al valor de la acción, pero nunca se entregan ni acciones, ni opciones ni derechos sobre las mismas. El plan SEUP supone la identificación inicial de un número de SEUs determinado que, a fin del primer ejercicio y sujeto al cumplimiento de determinadas condiciones y en un rango o porcentaje derivado precisamente del nivel de cumplimiento de las mismas, es objeto de evaluación entre un 75% y un 150% del número de SEUs inicialmente concedido, y se consolida en una cantidad específica de SEUs, cuya conversión económica se realizará al final del tercer aniversario de la evaluación, abonándose al Consejero Delegado el importe económico correspondiente en función del valor de la acción de la compañía, según cálculo promedio realizado en un período concreto después de la publicación de resultados de la compañía correspondientes al último ejercicio del periodo de consolidación, dinerariamente o mediante la entrega parcial o total de acciones de la compañía por el valor económico correspondiente, como pago en especie. Por tanto, la existencia de un SEUP atribuido al Consejero Delegado puede significar que un porcentaje relevante de su remuneración variable esté vinculada al valor de la acción.

- 62. Que una vez atribuidas las acciones, las opciones o instrumentos financieros correspondientes a los sistemas retributivos, los consejeros ejecutivos no puedan transferir su titularidad o ejercitarlos hasta transcurrido un plazo de al menos tres años.**

Se exceptúa el caso en el que el consejero mantenga, en el momento de la transmisión o ejercicio, una exposición económica neta a la variación del precio de las acciones por un valor de mercado equivalente a un importe de al menos dos veces su remuneración fija anual mediante la titularidad de acciones, opciones u otros instrumentos financieros.

Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar para satisfacer los costes relacionados con su adquisición o, previa apreciación favorable de la comisión de nombramientos y retribuciones, para hacer frente a situaciones extraordinarias sobrevenidas que lo requieran.

Cumple | Cumple parcialmente | Explique | ☒ No aplicable |

En aplicación del SEUP ni se atribuyen acciones, ni opciones ni derechos sobre acciones de la compañía. No existe entrega de ninguno de los indicados instrumentos. El SEUP es un sistema remunerativo referenciado al valor de la acción, pero nunca se

entregan ni acciones, ni opciones ni derechos sobre las mismas.

- 63. Que los acuerdos contractuales incluyan una cláusula que permita a la sociedad reclamar el reembolso de los componentes variables de la remuneración cuando el pago no haya estado ajustado a las condiciones de rendimiento o cuando se hayan abonado atendiendo a datos cuya inexactitud quede acreditada con posterioridad.**

Cumple | Cumple parcialmente | Explique | ☒ No aplicable |

Si bien no existe en el contrato con el consejero delegado una cláusula del tipo previsto en dicha recomendación, la definición y concreción de los elementos y condiciones que permiten la valoración de las retribuciones variables son establecidas en el momento inicial con la claridad y objetividad suficiente para poder permitir a la compañía, en su caso, el ejercicio de la acción judicial de reclamación correspondiente.

- 64. Que los pagos por resolución o extinción del contrato no superen un importe equivalente a dos años de la retribución total anual y que no se abonen hasta que la sociedad haya podido comprobar que el consejero ha cumplido con los criterios o condiciones establecidos para su percepción.**

A efectos de esta recomendación, entre los pagos por resolución o extinción contractual se considerarán cualesquiera abonos cuyo devengo u obligación de pago surja como consecuencia o con ocasión de la extinción de la relación contractual que vinculaba al consejero con la sociedad, incluidos los importes no previamente consolidados de sistemas de ahorro a largo plazo y las cantidades que se abonen en virtud de pactos de no competencia post-contractual.

Cumple | ☒ Cumple parcialmente | Explique | No aplicable |

## **H** OTRAS INFORMACIONES DE INTERÉS

1. Si existe algún aspecto relevante en materia de gobierno corporativo en la sociedad o en las entidades del grupo que no se haya recogido en el resto de apartados del presente informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas de gobierno en la entidad o su grupo, detállelos brevemente.
2. Dentro de este apartado, también podrá incluirse cualquier otra información, aclaración o matiz relacionado con los anteriores apartados del informe en la medida en que sean relevantes y no reiterativos.

En concreto, se indicará si la sociedad está sometida a legislación diferente a la española en materia de gobierno corporativo y, en su caso, incluya aquella información que esté obligada a suministrar y sea distinta de la exigida en el presente informe.

A.2 Lo dispuesto en este apartado se refiere a información conocida por la compañía. Asimismo se hace constar que D. Jorge y D. Antonio Gallardo Ballart son accionistas indirectos de Grupo Plafin, S.A.U. y de Grupo Corporativo Landon, S.L.

A.3 Se hace constar:

- Que la titularidad indirecta de derechos de voto correspondientes a Grupo Plafin, S.A. unip y Grupo Corporativo Landon, S.L. se ostenta al 50% por D. Jorge y D. Antonio Gallardo Ballart.
- Respecto a los consejeros D. Antonio Gallardo Torrededía y D. Carlos Gallardo Piqué, que ambos forman parte del núcleo familiar de D. Jorge y D. Antonio Gallardo Ballart, accionistas indirectos de Grupo Plafin,

S.A. unip. y Grupo Corporativo Landon, S.L..

C.1.9. Se hace constar que además de la delegación de facultades realizada a favor del Consejero Delegado Sr. Nazi, existen otorgados los siguientes poderes a favor de los miembros del Consejo de Administración:

D. Jorge Gallardo Ballart tiene conferidos poderes en virtud de escritura de poder autorizada por el Notario de Barcelona Don Enrique Viola Tarragona en fecha 2 de junio de 2011.

C.1.13. A la cantidad expresada en este apartado debe adicionarse los importes percibidos por el Consejero Delegado Sr. Nazi por el ejercicio de sus funciones ejecutivas, que en 2021 ascendieron a 956 miles de euros.

C.1.14. Con anterioridad a la finalización del ejercicio 2021 abandonaron la compañía los miembros del Comité de Dirección Dña. Amita Kent, D. Alfredo Barón de Juan y D. Xavier Llauradó.

C.2.1. Se hace constar que la Comisión de Dermatología no tiene la condición de comisión de supervisión y control, teniendo únicamente atribuidas las competencias que se establecen en el artículo 14bis del Reglamento del Consejo de Administración de la compañía.

3. La sociedad también podrá indicar si se ha adherido voluntariamente a otros códigos de principios éticos o de buenas prácticas, internacionales, sectoriales o de otro ámbito. En su caso, se identificará el código en cuestión y la fecha de adhesión. En particular, hará mención a si se ha adherido al Código de Buenas Prácticas Tributarias, de 20 de julio de 2010.
- EFPIA new Code on Disclosure of Transfers of Value from Pharmaceutical Companies to Healthcare Professionals and Healthcare Organizations (the "EFPIA HCP/HCO Disclosure Code").
  - Updated EFPIA Code on the promotion of Prescription Only Medicines and interactions with Health Care Professionals".
  - Código de Buenas Prácticas Tributarias. Promueve una relación recíprocamente cooperativa entre la Administración Tributaria y las empresas. Fecha de adhesión: 26 de junio de 2014

Este informe anual de gobierno corporativo ha sido aprobado por el consejo de Administración de la sociedad, en su sesión de fecha 18 de febrero de 2022.

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

Sí ☐ No ☒

Nombre o denominación social del consejero que no ha votado a favor de la aprobación del presente informe	Motivos (en contra, abstención, no asistencia)	Explique los motivos
Observaciones		





**INFORME ANUAL SOBRE REMUNERACIONES DE LOS  
CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS**

**DATOS IDENTIFICATIVOS DEL EMISOR**

FECHA FIN DEL EJERCICIO DE REFERENCIA

31/12/21

C.I.F. A-58-869.389

Denominación Social:

ALMIRALL, S.A.

Domicilio Social:

Ronda General Mitre 151, Barcelona

## INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

### A POLITICA DE REMUNERACIONES DE LA SOCIEDAD PARA EL EJERCICIO EN CURSO

A.1 Explique la política vigente de remuneraciones de los consejeros aplicable al ejercicio en curso. En la medida que sea relevante se podrá incluir determinada información por referencia a la política de retribuciones aprobada por la junta general de accionistas, siempre que la incorporación sea clara, específica y concreta.

Se deberán describir las determinaciones específicas para el ejercicio en curso, tanto de las remuneraciones de los consejeros por su condición de tal como por el desempeño de funciones ejecutivas, que hubiera llevado a cabo el consejo de conformidad con lo dispuesto en los contratos firmados con los consejeros ejecutivos y con la política de remuneraciones aprobada por la junta general.

En cualquier caso, se deberá informar, como mínimo, de los siguientes aspectos:

- Descripción de los procedimientos y órganos de la sociedad involucrados en la determinación y aprobación de la política de remuneraciones y sus condiciones.
- Indique y en su caso, explique si se han tenido en cuenta empresas comparables para establecer la política de remuneración de la sociedad.
- Información sobre si ha participado algún asesor externo y, en su caso, identidad del mismo.
- Procedimientos contemplados en la política de remuneraciones vigente de los consejeros para aplicar excepciones temporales a la política, condiciones en las que se puede recurrir a esas excepciones y componentes que pueden ser objeto de excepción según la política.

La política de remuneraciones de Consejo, se estructura en base a diversas tipologías concretas de retribución, según el siguiente detalle:

#### **Remuneración de los consejeros en su calidad de tales**

Los Consejeros Independientes y los otros externos perciben una retribución anual bruta determinada, los Consejeros Dominicales una equivalente a un 55% de la de los independientes y los Consejeros Ejecutivos una equivalente a un tercio de la de los Independientes.

Además, por ser miembros de cualquiera de las comisiones del Consejo los respectivos consejeros reciben en general una compensación adicional bruta anual, ligeramente superior si además asumen la presidencia de la comisión en concreto.

El Presidente del Consejo y los dos Vicepresidentes perciben una retribución anual bruta fija por el ejercicio de sus respectivos cargos en el Consejo de Administración y el Secretario no consejero recibe asimismo una retribución anual fija.

Las retribuciones se abonan a los Consejeros con carácter trimestral.

Se señala asimismo que la Junta General Ordinaria de 2019 aprobó el acuerdo consistente en que una parte de la retribución fija que los consejeros perciben en su condición de tales pueda ser abonada, si el Consejo así lo acuerda, mediante entrega de acciones propias, de forma que los consejeros, en cada una de las fechas trimestrales de cobro de la retribución fija, perciban la cantidad fija que les corresponda parte en dinero y parte en acciones, tomándose a tal efecto como referencia el valor de las acciones a cierre de mercado de la sesión bursátil inmediatamente anterior a la fecha en que se abone la remuneración. El pago de la remuneración fija dicha mediante acciones propias no podrá exceder del 50 % de la retribución individual de cada consejero en cada ejercicio. El número máximo de acciones que podrán asignarse en cada ejercicio a este sistema de remuneración será de 50.000 y el

número de ejercicios en que podrá remunerarse de este modo es de 5 incluyendo el presente ejercicio (esto es, 2019, 2020, 2021, 2022 y 2023). Hasta la fecha no se ha procedido a implementar dicho pago en especie ni se prevé que se implemente durante 2022.

### **Remuneración del Consejero Delegado**

Adicionalmente a la retribución que percibe como miembro del Consejo en su calidad de consejero ejecutivo, el Consejero Delegado tiene acordada en el marco del correspondiente contrato de prestación de servicios una estructura de remuneración basada en la política general de remuneraciones de la compañía, incluyendo por tanto un esquema de retribución de carácter anual y de carácter plurianual.

#### Remuneración anual

##### Salario fijo

Según establece el correspondiente contrato de servicios acordado con el nuevo Consejero Delegado el salario fijo bruto anual de 790.000 euros acordado se satisface dinerariamente con carácter mensual y en 12 pagas proporcionales. El salario fijo se revisa anualmente a partir de 31.12.23 por parte del Consejo de Administración, a propuesta de la Comisión de Nombramientos y Retribuciones. Para 2022 el dicho salario fijo será de 830.000 euros.

##### Bonus anual

La retribución anual variable (bonus), es equivalente al 90% del salario fijo anual y, sujeto al cumplimiento de determinadas condiciones y en un rango o porcentaje derivado precisamente del nivel de cumplimiento de las mismas de entre un 0% y un 150% del importe de referencia citado, se abonará dinerariamente al Consejero Delegado después de finalizado el ejercicio correspondiente, en concreto al finalizar el mes de marzo de dicho año siguiente, conjuntamente con el pago mensual salarial fijo correspondiente al citado mes.

La fijación de las citadas condiciones, en base a la identificación de determinados objetivos de negocio y/o profesionales, y la evaluación de su rango de cumplimiento a fin de ejercicio, tomando en consideración elementos de valoración objetivos, se realizan mediante acuerdo del Consejo de Administración, a propuesta de Comisión de Nombramientos y Retribuciones.

Para el ejercicio 2022, los objetivos están relacionados y vinculados con la evolución del EBITDA (15%), los lanzamientos de nuevos productos (10%), la estrategia de la compañía y definición del plan financiero de la compañía a 5 años (10%), el incremento de ventas y alcanzar acuerdos estratégicos (20%), los procesos de I+D (15%), potenciar relaciones con inversiones (10%) y construir un equipo de trabajo cohesionado y motivado para alcanzar los objetivos comunes (20%).

#### Beneficios sociales

Adicionalmente a las remuneraciones dinerarias, en línea con la Política General de la compañía al respecto, el Consejero Delegado disfruta de los beneficios sociales correspondientes, incluyendo un seguro de vida, un seguro de responsabilidad civil (común a todos los cargos y posiciones directivas de la compañía), un vehículo de empresa y un seguro de enfermedad y asistencia médica.

#### Remuneraciones plurianuales del Consejero Delegado

La remuneración plurianual del Consejero Delegado viene determinada por una prestación especial sujeta a un Plan de "Stock Equivalent Units" (SEUs) aprobado por la Junta General de la Compañía en 2008 y modificado por la Junta General en 2019 y publicado en la web de la CNMV.

##### Stock Equivalent Units Plan (SEUs)

Se trata de una retribución variable plurianual, vinculada a la aplicación del Plan correspondiente concedida de forma específica cada ejercicio por parte el Consejo de Administración, a propuesta de la Comisión de Nombramientos y Retribuciones.

El plan supone la identificación inicial de un número de SEUs determinado que, a fin del primer ejercicio y sujeto al cumplimiento de determinadas condiciones y en un rango o porcentaje derivado precisamente del nivel de cumplimiento de las mismas, es objeto de evaluación entre un 75% y un 150% del número de SEUs inicialmente concedido, y se consolida en una cantidad específica de SEUs, cuya conversión económica se realizará al final del tercer aniversario de la evaluación, abonándose al Consejero Delegado el importe económico correspondiente en función del valor de la acción de la compañía, según cálculo

promedio realizado en un período concreto después de la publicación de resultados de la compañía correspondientes al último ejercicio del periodo de consolidación, dinerariamente o mediante la entrega parcial o total de acciones de la compañía por el valor económico correspondiente.

La Comisión de Nombramientos y Retribuciones confirmará para cada Plan anual el número inicial de SEUS y fijará las condiciones de variabilidad de cumplimiento, siendo en cuanto al 70% condiciones objetivas (evolución anual del valor de la acción de la compañía y evolución anual del EBITDA durante el primer ejercicio de vigencia del Plan, entre otras) y en cuanto al 30% según valoración específica global realizada por la propia Comisión, siendo evaluado el cumplimiento a fin del periodo de evaluación.

#### Long Term Company Performance Plan

Se trata de una potencial retribución variable plurianual a tres años, renovable por sucesivos periodo de tres años, vinculada a la aplicación del denominado "Long Term Company Performance Plan", fijado para el período 2021 a 2023, en base al cual, sujeto al cumplimiento de determinadas condiciones durante cada uno de los ejercicios del Plan y en un rango o porcentaje derivado precisamente del nivel de cumplimiento de las mismas, un importe equivalente a un porcentaje de entre el 75% y el 200% de determinado importe global (3M euros) que se abonará dinerariamente al Consejero Delegado al finalizar el mes de marzo de 2024. Se establece la posibilidad de percepción de pagos a cuenta.

Los objetivos relacionados con dicho plan, con diferentes porcentajes de impacto y según las correspondientes definiciones de dicho concepto son: Valor de Empresa (40%), Retorno total para los accionistas de determinadas compañías del sector (40%), y evaluación de la Comisión de Nombramientos y Retribuciones sobre el desempeño global del Consejero Delegado durante el período citado (20%).

La Política de Remuneraciones del Consejo se propone por el propio Consejo previo informe de la Comisión de Nombramientos y Retribuciones y de acuerdo con lo establecido del artículo 540 de la Ley de Sociedades de Capital, se aprueba por la Junta General. En 2022 se someterá de nuevo a la Junta para aprobación la Política de Remuneraciones del Consejo.

Finalmente, se hace constar que no se han tenido en cuenta empresas comparables para establecer la política de remuneración de la sociedad, ni tampoco participó ningún asesor externo en su determinación.

**A1.2 Importancia relativa de los conceptos retributivos variables respecto a lo fijos (mix retributivo) y qué criterios y objetivos se han tenido en cuenta en su determinación y para garantizar un equilibrio adecuado entre los componentes fijos y variables de la remuneración. En particular, señale las acciones adoptadas por la sociedad en relación con el sistema de remuneración para reducir la exposición a riesgos excesivos y ajustarlo a los objetivos, valores e intereses a largo plazo de la sociedad, lo que incluirá, en su caso, una referencia a medidas previstas para garantizar que en la política de remuneración se atienden a los resultados a largo plazo de la sociedad, las medidas adoptadas en relación con aquellas categorías de personal cuyas actividades profesionales tengan una repercusión material en el perfil de riesgos de la entidad y medidas previstas para evitar conflictos de intereses.**

Asimismo, señale si la sociedad ha establecido algún período de devengo o consolidación de determinados conceptos retributivos variables, en efectivo, acciones u otros instrumentos financieros, un período de diferimiento en el pago de importes o entrega de instrumentos financieros ya devengados y consolidados, o si se ha acordado alguna cláusula de reducción de la remuneración diferida o que obligue al consejero a la devolución de remuneraciones percibidas, cuando tales remuneraciones se hayan basado atendiendo a unos datos cuya inexactitud haya quedado después demostrada de forma manifiesta.

Véase cuadro anterior.

**A.1.3 Importe y naturaleza de los componentes fijos que se prevé devengarán en el ejercicio los consejeros en su condición de tales.**

En el ejercicio 2022 el importe de la retribución de los consejeros por razón de su cargo se prevé sea el siguiente:

(I) Consejeros Dominicales: Dr. Jorge Gallardo Ballart: 50.000 euros, más otros 300.000 euros por su cargo de Presidente del Consejo de Administración; D. Antonio Gallardo Torrededía: 50.000 euros, y por Comisión 30.000 euros; y D. Carlos Gallardo Piqué: 50.000 euros, más por Comisión, 30.000 euros y por su cargo de Vice-Presidente 2º, 50.000 euros

(II) Consejeros externos: Sir Tom McKillop por Consejo: 90.000 euros, por Comisión: 30.000 euros y por su cargo de Vice-Presidente 1º del Consejo: 50.000 euros.

(II) Consejeros independientes: D. Gerhard Mayr por Consejo: 90.000 euros y por Comisión: 40.000 euros; Dña. Karin Dorrepaal por Consejo: 90.000 euros y por Comisión: 30.000 euros; Dr. Seth J. Orlow por Consejo 90.000 euros y por Comisión 40.000 euros; Don Enrique de Leyva Pérez, por Consejo 90.000 euros y por Comisión 40.000 euros, Dña. Georgia Garinois-Melenikiotou por Consejo 90.000 euros y por Comisión: 30.000 euros, Doña Alexandra B. Kimball por Consejo 90.000 euros y por Comisión 30.000 euros, Doña Eva-Lotta Coulter, por Consejo 90.000 euros y por Comisión 30.000 euros, y Don Ruud Dobber, por Consejo 90.000 euros y por Comisión 30.000 euros.

(IV) Consejeros ejecutivos: D. Gianfranco Nazzi por Consejo 30.000 euros.

**A.1.4 Importe y naturaleza de los componentes fijos que serán devengados en el ejercicio por el desempeño de funciones de alta dirección de los consejeros ejecutivos.**

Según establece el correspondiente contrato de servicios acordado con el Consejero Delegado el salario fijo bruto anual de 830.000 euros acordado se satisfará durante 2022 con carácter mensual y en pagas proporcionales. Asimismo, durante 2022 el consejero ejecutivo Gianfranco Nazzi percibirá un pago extraordinario de 1.200.000 euros, según acordado.

**A.1.5 Importe y naturaleza de cualquier componente de remuneración en especie que será devengado en el ejercicio incluyendo, pero no limitado a, las primas de seguros abonadas en favor del consejero.**

Asimismo, el consejero ejecutivo Gianfranco Nazzi percibirá las siguientes remuneraciones en especie: seguro de vida, un seguro de responsabilidad civil (común a todos los cargos y posiciones directivas de la compañía), un vehículo de empresa y un seguro de enfermedad y asistencia médica.

**A.1.6 Importe y naturaleza de los componentes variables, diferenciando entre los establecidos a corto y largo plazo. Parámetros financieros y no financieros, incluyendo entre estos últimos los sociales, medioambientales y de cambio climático, seleccionados para determinar la remuneración variable en el ejercicio en curso, explicación de en qué medida tales parámetros guardan relación con el rendimiento, tanto del consejero, como de la entidad y con su perfil de riesgo, y la metodología, plazo necesario y técnicas previstas para poder determinar, al finalizar el ejercicio, el grado de cumplimiento de los parámetros utilizados en el diseño de la remuneración variable, explicando los criterios y factores que aplica en cuanto al tiempo requerido y métodos para comprobar que se han cumplido de modo efectivo las condiciones de rendimiento o de cualquier otro tipo a las que estaba vinculado el devengo y la consolidación de cada componente de la retribución variable.**

Indique el rango en términos monetarios de los distintos componentes variables en función del grado de cumplimiento de los objetivos y parámetros establecidos, y si existe algún importe monetario máximo en términos absolutos.

Bonus anual

El consejero ejecutivo Gianfranco Nazzi percibirá durante 2022 el Bonus Variable correspondiente al ejercicio de 2021, por importe aproximado de 500.000 €.

La fijación de las condiciones correspondientes se realiza en base a la identificación de determinados objetivos de negocio y/o profesionales, y la evaluación de su rango de cumplimiento a fin de ejercicio, tomando en consideración elementos de valoración objetivos, se realizan mediante acuerdo del Consejo de Administración, a propuesta de Comisión de Nombramientos y Retribuciones.

Para el ejercicio 2022, los objetivos están relacionados y vinculados con la evolución del EBITDA (15%), los lanzamientos de nuevos productos (10%), la estrategia de la compañía y definición del plan financiero de la compañía a 5 años (10%), el incremento de ventas y alcanzar acuerdos estratégicos (20%), los procesos de I+D (15%), potenciar relaciones con inversiones (10%) y construir un equipo de trabajo cohesionado y motivado para alcanzar los objetivos comunes (20%).

Stock Equivalent Units Plan (SEUs)

El consejero ejecutivo Gianfranco Nazzi no percibirá durante 2022 ningún importe correspondiente a este Plan.

Long Term Company Performance Plan

El consejero ejecutivo Gianfranco Nazzi percibirá durante 2022 un pago a cuenta de este Plan por importe de 500.000 euros.

A.1.7 Principales características de los sistemas de ahorro a largo plazo. Entre otra información, se indicarán las contingencias cubiertas por el sistema, si es de aportación o prestación definida, la aportación anual que se tenga que realizar a los sistemas de aportación definida, la prestación a la que tengan derecho los beneficiarios en el caso de sistemas de prestación definida, las condiciones de consolidación de los derechos económicos a favor de los consejeros y su compatibilidad con cualquier tipo de pago o indemnización por resolución o cese anticipado, o derivado de la terminación de la relación contractual, en los términos previstos, entre la sociedad y el consejero.

Se deberá indicar si el devengo o consolidación de alguno de los planes de ahorro a largo plazo está vinculado a la consecución de determinados objetivos o parámetros relacionados con el desempeño a corto y largo plazo del consejero.

No aplicable

A.1.8 Cualquier tipo de pago o indemnización por resolución o cese anticipado o derivado de la terminación de la relación contractual en los términos previstos entre la sociedad y el consejero, sea el cese a voluntad de la empresa o del consejero, así como cualquier tipo de pactos acordados, tales como exclusividad, no concurrencia post-contractual y permanencia o fidelización, que den derecho al consejero a cualquier tipo de percepción.

El Consejero Delegado Sr. Nazzi tiene otorgado un contrato de servicios con una duración inicial de 3 años, con una cláusula contractual de preaviso en el caso de extinción del contrato de 3 meses tanto para él como para la Compañía. Existe una indemnización por terminación (salvo despido disciplinario procedente) de una anualidad (sueldo base), más el 75% de la

remuneración anual variable correspondiente, durante los dos primeros años. Existen diferentes cláusulas, entre ellas: una de plena dedicación, otra de confidencialidad y otra de cumplimiento de deberes deontológicos.

A.1.9 Indique las condiciones que deberán respetar los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos. Entre otras, se informará sobre la duración, los límites a las cuantías de indemnización, las cláusulas de permanencia, los plazos de preaviso, así como el pago como sustitución del citado plazo de preaviso, y cualesquiera otras cláusulas relativas a primas de contratación, así como indemnizaciones o blindajes por resolución anticipada o terminación de la relación contractual entre la sociedad y el consejero ejecutivo. Incluir, entre otros, los pactos o acuerdos de no concurrencia, exclusividad, permanencia o fidelización y no competencia post-contractual, salvo que se hayan explicado en el apartado anterior.

Véase cuadro anterior.

A.1.10 La naturaleza e importe estimado de cualquier otra remuneración suplementaria que será devengada por los consejeros en el ejercicio en curso en contraprestación por servicios prestados distintos de los inherentes a su cargo.

No aplicable

A.1.11 Otros conceptos retributivos como los derivados, en su caso, de la concesión por la sociedad al consejero de anticipos, créditos y garantías y otras remuneraciones.

No aplicable

A.1.12 La naturaleza e importe estimado de cualquier otra remuneración suplementaria prevista no incluida en los apartados anteriores, ya sea satisfecha por la entidad u otra entidad del grupo, que se devengará por los consejeros en el ejercicio en curso.

No aplicable

A.2 Explique cualquier cambio relevante en la política de remuneraciones aplicable en el ejercicio en curso derivada de:

- Una nueva política o una modificación de la política ya aprobada por la Junta.
- Cambios relevantes en las determinaciones específicas establecidas por el consejo para el ejercicio en curso de la política de remuneraciones vigente respecto de las aplicadas en el ejercicio anterior.
- Propuestas que el consejo de administración hubiera acordado presentar a la junta general de accionistas a la que se someterá este informe anual y que se proponen que sea de aplicación al ejercicio en curso.



El Consejo de Administración propondrá una nueva Política de Remuneración de los Consejeros a la Junta General Ordinaria de 2022.

A.3 Identifique el enlace directo al documento en el que figure la política de remuneraciones vigente de la sociedad, que debe estar disponible en la página web de la sociedad.

[https://www.almirall.es/documents/portlet\\_file\\_entry/4257831/190225\\_18\\_Pol%C3%ADtica\\_de\\_Remu%20neraciones\\_del\\_Consejo\\_v\\_01.pdf/b2128628-c9f5-7b8a-ed30-649d6cac8ed7](https://www.almirall.es/documents/portlet_file_entry/4257831/190225_18_Pol%C3%ADtica_de_Remu%20neraciones_del_Consejo_v_01.pdf/b2128628-c9f5-7b8a-ed30-649d6cac8ed7)

A.4 Explique, teniendo en cuenta los datos facilitados en el apartado B.4, cómo se ha tenido en cuenta el voto de los accionistas en la junta general a la que se sometió a votación, con carácter consultivo, el informe anual de remuneraciones del ejercicio anterior.

Dicho informe anual de remuneraciones fue aprobado por amplísima mayoría, lo que revela un consenso mayoritario acerca de las políticas remunerativas del Consejo aplicadas.

## **B RESUMEN GLOBAL DE CÓMO SE APLICÓ LA POLÍTICA DE RETRIBUCIONES DURANTE EL EJERCICIO CERRADO**

B.1 .1 Explique el proceso que se ha seguido para aplicar la política de remuneraciones y determinar las retribuciones individuales que se reflejan en la sección C del presente informe. Esta información incluirá el papel desempeñado por la comisión de retribuciones, las decisiones tomadas por el consejo de administración y, en su caso, la identidad y el rol de los asesores externos cuyos servicios se hayan utilizado en el proceso de aplicación de la política retributiva en el ejercicio cerrado.

Durante el ejercicio 2021, los importes y conceptos percibidos por los consejeros se ajustaron a la política de remuneraciones de los consejeros y se resumen como sigue:

Cada uno de los consejeros percibió la cantidad fija que tenía estipulada. Asimismo, los consejeros miembros de las tres comisiones de la compañía (Auditoría, Nombramientos y Retribuciones y Dermatología) recibieron adicionalmente su correspondiente retribución por tal membresía y ejercicio de funciones, fijada en su momento por el Consejo de Administración y que incluye una remuneración algo superior para los Presidentes de las comisiones, comparado con los restantes miembros. Tales pagos se efectuaron de forma trimestral.

Los montos concretos percibidos por cada uno de los consejeros durante 2021 en su condición de tales y por la pertenencia a Comisiones en su caso constan en los cuadros obrantes en el apartado C del IARC, a saber:

(I) Consejeros Dominicales: Dr. Jorge Gallardo Ballart: 50.000 euros, más otros 300.000 euros por su cargo de Presidente del Consejo de Administración; D. Antonio Gallardo Torrededía: 50.000 euros, y por Comisión 30.000 euros; y D. Carlos Gallardo Piqué: 50.000 euros, más por Comisión, 30.000 euros y por su cargo de Vice-Presidente 2º, 50.000 euros

(II) Consejeros externos: Sir Tom McKillop por Consejo: 90.000 euros, por Comisión: 30.000 euros y por su cargo de Vice-Presidente 1º del Consejo: 50.000 euros.

(II) Consejeros independientes: D. Gerhard Mayr por Consejo: 90.000 euros y por Comisión: 40.000 euros; Dña. Karin Dorrepaal por Consejo: 90.000 euros y por Comisión: 30.000 euros; Dr. Seth J. Orlow por Consejo 90.000 euros y por Comisión 40.000 euros; Don Enrique de Leyva Pérez, por Consejo 90.000 euros y por Comisión 40.000 euros, Dña. Georgia Garinois-Melenikiotou por Consejo 90.000 euros y por Comisión: 30.000 euros, Doña Alexandra B. Kimball por Consejo 90.000 euros y por Comisión 30.000 euros, y Doña Eva-Lotta Coulter, por Consejo 90.000 euros y por Comisión 30.000 euros, y Don Ruud Dobber, por Consejo 45.000 euros y por Comisión 15.000 euros

(IV) Consejeros ejecutivos: D. Gianfranco Nazzi, 22.500 euros.

Igualmente el Secretario no consejero fue remunerado mediante la cantidad fija anual acordada (18.000 euros).

Respecto al consejero ejecutivo y consejero delegado Sr. Nazzi, el mismo percibió su salario anual fijo únicamente desde mayo de 2021, por tanto un importe bruto anual de 526.666,64 euros, en 10 pagas mensuales. También percibió o disfrutó los beneficios sociales correspondientes, incluyendo un seguro de vida, un seguro de responsabilidad civil (común a todos los cargos y posiciones directivas de la compañía), un vehículo de empresa y un seguro de enfermedad y asistencia médica, según descrito en el IARC. Tiene dicho consejero delegado asimismo suscrito un SEUP y un LTIP que en el futuro le supondrá la remuneración correspondiente. Asimismo, durante 2021 percibió, por otros conceptos acordados (vivienda, escolarización, y dietas) un importe bruto de 429.063 euros.

De acuerdo con lo establecido en el Reglamento del Consejo de Administración de la compañía, es competencia de la Comisión de Nombramientos y Retribuciones proponer al consejo de administración la política de retribuciones de los consejeros y de los directores generales o de quienes desarrollen sus funciones de alta dirección bajo la dependencia directa del consejo, de comisiones ejecutivas o de consejeros delegados, así como la retribución individual y las demás condiciones contractuales de los consejeros ejecutivos, velando por su observancia. Corresponde asimismo al Consejo de Administración proponer a la Junta General la Política de Remuneraciones de los Consejeros, y esta última aprobarla. En 2022 se prevé someter de nuevo a la Junta para aprobación la Política de Remuneraciones del Consejo No se ha contado con asesores externos para la aplicación de la política de remuneraciones.

B.1.2 Explique cualquier desviación del procedimiento establecido para la aplicación de la política de remuneraciones que se haya producido durante el ejercicio.

No ha habido desviación alguna del procedimiento establecido.

B.1.3 Indique si se ha aplicado cualquier excepción temporal a la política de remuneraciones y, de haberse aplicado, explique las circunstancias excepcionales que han motivado la aplicación de estas excepciones, los componentes específicos de la política retributiva afectados y las razones por las que la entidad considera que esas excepciones han sido necesarias para servir a los intereses a largo plazo y la sostenibilidad de la sociedad en su conjunto o para asegurar su viabilidad. Cuantifique, asimismo, el impacto que la aplicación de estas excepciones ha tenido sobre la retribución de cada consejero en el ejercicio.

Nol se ha aplicado ninguna excepción temporal.

B.2 Explique las diferentes acciones adoptadas por la sociedad en relación con el sistema de remuneración y cómo han contribuido a reducir la exposición a riesgos excesivos y ajustarlo a los objetivos, valores e intereses a largo plazo de la sociedad, incluyendo una referencia a las medidas que han sido adoptadas para garantizar que en la remuneración devengada se ha atendido a los resultados a largo plazo de la sociedad y alcanzado un equilibrio adecuado entre los componentes fijos y variables de la remuneración, qué medidas han sido adoptadas en relación con aquellas categorías de personal cuyas actividades profesionales tengan una repercusión material en el perfil de riesgos de la entidad, y qué medidas han sido adoptadas para evitar conflictos de intereses, en su caso.

Véase cuadros en el apartado A anterior.

B.3 Explique cómo la remuneración devengada y consolidada en el ejercicio cumple con lo dispuesto en la política de retribución vigente y, en particular, cómo contribuye al rendimiento sostenible y a largo plazo de la sociedad..

Informe igualmente sobre la relación entre la retribución obtenida por los consejeros y los resultados u otras medidas de rendimiento, a corto y largo plazo, de la entidad, explicando, en su caso, cómo las variaciones en el rendimiento de la sociedad han podido influir en la variación de las remuneraciones de los consejeros, incluyendo las devengadas cuyo pago se hubiera diferido, y cómo éstas contribuyen a los resultados a corto y largo plazo de la sociedad.

La remuneración de los consejeros durante el ejercicio es acorde a lo establecido en la política de remuneraciones de la compañía. Se ha abonado la retribución fija a los consejeros en su condición de tales trimestralmente, así como las cantidades acordadas a favor del Presidente, de los Vicepresidentes y del Consejero Delegado. Las remuneraciones variables y aplicación del plan SEUP a favor del Consejero Delegado igualmente obedecen a los principios establecidos en tal política

La política remunerativa recoge la determinación de la retribución de cada consejero y/o categoría de consejero, teniendo en cuenta las funciones y responsabilidades atribuidas a cada uno de ellos, la pertenencia a comisiones del Consejo y otras circunstancias objetivas. Los importes retributivos de los consejeros en su condición de tales son similares a los aplicados por la Sociedad en ejercicios anteriores y a juicio de la Comisión de Nombramientos y Retribuciones, resultan competitivos al cohonestarlos con los pagados por empresas comparables del mercado.

La remuneración de los consejeros de acuerdo con la indicada política guarda una proporción razonable con la importancia de la Sociedad, la situación económica de la misma y los estándares de mercado de empresas comparables, y está orientada a promover la rentabilidad y sostenibilidad a largo plazo de la Sociedad, incorporando las cautelas necesarias para evitar la asunción excesiva de riesgos y la recompensa de resultados desfavorables.

En cuanto a la remuneración del Consejero Delegado, la misma mantiene un razonable equilibrio entre los componentes fijos y variables. La retribución variable (tanto el bonus como los planes de remuneración a largo plazo) se vinculan al cumplimiento de determinados objetivos, considerando el medio y largo plazo y contribuyendo ello al rendimiento sostenible y a largo plazo de la sociedad. Asimismo, los beneficios sociales del Consejero Delegado están también entre los habituales en el mercado y sector de actividad de la Sociedad.

**B.4 Informe del resultado de la votación consultiva de la junta general al informe anual sobre remuneraciones del ejercicio anterior, indicando el número de abstenciones y votos negativos, en blanco y a favor que se hayan emitido:**

	Número	% sobre el total
Votos emitidos	144.645.348	81,21

	Número	% sobre el total
Votos negativos	29.516.749	20,41
Votos a favor	114.693.268	79,29
Votos en blanco	0	0
Abstenciones	435.331	0,30

Observaciones
Los datos porcentuales del segundo cuadro se refieren a capital presente o representado en la Junta General Ordinaria de Accionistas de 2021.

**B.5 Explique cómo se han determinado los componentes fijos devengados y consolidados durante el ejercicio por los consejeros en su condición de tales, su proporción relativa para cada consejero y cómo han variado respecto al año anterior.**

Los componentes fijos de la remuneración de los consejeros obedecen a lo en su día acordado al respecto por el Consejo de Administración, manteniendo la proporción relativa previamente existente, según indicado, sin que haya existido variación respecto al ejercicio anterior.

B.6 Explique cómo se han determinado los sueldos devengados y consolidados, durante el ejercicio cerrado, por cada uno de los consejeros ejecutivos por el desempeño de funciones de dirección, y cómo han variado respecto al año anterior.

El sueldo fijo devengado por el consejero delegado Sr. Nazzi obedece a lo pactado en su contrato de trabajo y en cuanto a la remuneración variable, no ha habido pago alguno durante 2021.

B.7 Explique la naturaleza y las principales características de los componentes variables de los sistemas retributivos devengados y consolidados en el ejercicio cerrado.

En particular:

- a) Identifique cada uno de los planes retributivos que han determinado las distintas remuneraciones variables devengadas por cada uno de los consejeros durante el ejercicio cerrado, incluyendo información sobre su alcance, su fecha de aprobación, fecha de implantación, condiciones en su caso de consolidación, periodos de devengo y vigencia, criterios que se han utilizado para la evaluación del desempeño y cómo ello ha impactado en la fijación del importe variable devengado, así como los criterios de medición que se han utilizado y el plazo necesario para estar en condiciones de medir adecuadamente todas las condiciones y criterios estipulados, debiendo explicarse en detalle los criterios y factores que ha aplicado en cuanto al tiempo requerido y métodos para comprobar que se han cumplido de modo efectivo las condiciones de rendimiento o de cualquier otro tipo a las que estaba vinculado el devengo y consolidación de cada componente de la retribución variable b) En el caso de planes de opciones sobre acciones u otros instrumentos financieros, las características generales de cada plan incluirán información sobre las condiciones tanto para adquirir su titularidad incondicional (consolidación), como para poder ejercitar dichas opciones o instrumentos financieros, incluyendo el precio y plazo de ejercicio.
- c) Cada uno de los consejeros, y su categoría (consejeros ejecutivos, consejeros externos dominicales, consejeros externos independientes u otros consejeros externos), que son beneficiarios de sistemas retributivos o planes que incorporan una retribución variable.
- d) En su caso, se informará sobre los periodos de devengo, de consolidación o de aplazamiento de pago de importes consolidados que se hayan aplicado y/o los periodos de retención/no disposición de acciones u otros instrumentos financieros, si existieran.

Explique los componentes variables a corto plazo de los sistemas retributivos

Las remuneraciones variables solo afectan al Consejero Delegado, sin que hay percibido ninguna de ellas durante 2021.

Bonus anual

La fijación de las condiciones correspondientes se realiza en base a la identificación de determinados objetivos de negocio y/o profesionales, y la evaluación de su rango de cumplimiento a fin de ejercicio, tomando en consideración elementos de valoración objetivos, se realizan mediante acuerdo del Consejo de Administración, a propuesta de Comisión de Nombramientos y Retribuciones.

Para el ejercicio 2021, los objetivos estaban relacionados y vinculados con la evolución del EBITDA (15%), los lanzamientos de nuevos productos (10%), la estrategia de la compañía y definición del plan financiero de la compañía a 5 años (10%), el incremento de ventas y alcanzar acuerdos estratégicos (20%), los procesos de I+D (15%), potenciar relaciones con inversiones (10%) y construir un equipo de trabajo cohesionado y motivado para alcanzar los objetivos comunes (20%).

Explique los componentes variables a largo plazo de los sistemas retributivos

Stock Equivalent Units Plan (SEUs)

Las condiciones de variabilidad de cumplimiento se han fijado para el plan 2021 son en cuanto al 70% condiciones objetivas (evolución anual del valor de la acción de la compañía y evolución anual del EBITDA durante el primer ejercicio de vigencia del Plan, entre otras) y en cuanto al 30% según valoración específica global realizada por la Comisión de Nombramientos y Retribuciones. Las condiciones del Plan, tanto las iniciales como las modificaciones posteriores, fueron aprobadas por la Junta General.

- B.8 Indique si se ha procedido a reducir o a reclamar la devolución de determinados componentes variables devengados cuando se hubieran, en el primer caso, diferido el pago de importes no consolidados o, en el segundo caso, consolidado y pagado, atendiendo a unos datos cuya inexactitud haya quedado después demostrada de forma manifiesta. Describa los importes reducidos o devueltos por la aplicación de las cláusulas de reducción o devolución (clawback), por qué se han ejecutado y los ejercicios a que corresponden.

No aplicable

- B.9 Explique las principales características de los sistemas de ahorro a largo plazo cuyo importe o coste anual equivalente figura en los cuadros de la Sección C, incluyendo jubilación y cualquier otra prestación de supervivencia, que sean financiados, parcial o totalmente, por la sociedad, ya sean dotados interna o externamente, indicando el tipo de plan, si es de aportación o prestación definida, las contingencias que cubre, las condiciones de consolidación de los derechos económicos a favor de los consejeros y su compatibilidad con cualquier tipo de indemnización por resolución anticipada o terminación de la relación contractual entre la sociedad y el consejero.

No aplicable

- B.10 Explique, en su caso, las indemnizaciones o cualquier otro tipo de pago derivados del cese anticipado, sea el cese a voluntad de la empresa o del consejero, o de la terminación del contrato, en los términos previstos en el mismo, devengados y/o percibidos por los consejeros durante el ejercicio cerrado.

No aplicable

- B.11 Indique si se han producido modificaciones significativas en los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos y, en su caso, explique las mismas. Así mismo, explique las condiciones principales de los nuevos contratos firmados con consejeros ejecutivos durante el ejercicio, salvo que se hayan explicado ya en el apartado A.1.

No aplicable

- B.12 Explique cualquier remuneración suplementaria devengada a los consejeros como contraprestación por los servicios prestados distintos de los inherentes a su cargo.

No aplicable

- B.13 Explique cualquier retribución derivada de la concesión de anticipos, créditos y garantías, con indicación del tipo de interés, sus características esenciales y los importes eventualmente devueltos, así como las obligaciones asumidas por cuenta de ellos a título de garantía.

No aplicable

- B.14 Detalle la remuneración en especie devengada por los consejeros durante el ejercicio, explicando brevemente la naturaleza de los diferentes componentes salariales.

El consejero Sr. Nazzi ha percibido durante 2021 las siguientes remuneraciones en especie: seguro de vida, un seguro de responsabilidad civil (común a todos los cargos y posiciones directivas de la compañía), un vehículo de empresa y un seguro de enfermedad y asistencia médica.

- B.15 Explique las remuneraciones devengadas por el consejero en virtud de los pagos que realice la sociedad cotizada a una tercera entidad en la cual presta servicios el consejero, cuando dichos pagos tengan como fin remunerar los servicios de éste en la sociedad.

No aplicable

- B.16 Explique y detalle los importes devengados en el ejercicio en relación con cualquier otro concepto retributivo distinto de los anteriores, cualquiera que sea su naturaleza o la entidad del grupo que lo satisfaga, incluyendo todas las prestaciones en cualquiera de sus formas, como cuando tenga la consideración de operación vinculada o, especialmente, cuando afecte de manera significativa a la imagen fiel de las remuneraciones totales devengadas por el consejero, debiendo explicarse el importe otorgado o pendiente de pago, la naturaleza de la contraprestación recibida y las razones por las que se habría considerado, en su caso, que no constituye una remuneración al consejero por su condición de tal o en contraprestación por el desempeño de sus funciones ejecutivas, y si se ha considerado apropiado o no incluirse entre los importes devengados en el apartado de “otros conceptos” de la sección C.

No aplicable

C

**DETALLE DE LAS RETRIBUCIONES INDIVIDUALES CORRESPONDIENTES A CADA UNO DE LOS CONSEJEROS**

Nombre	Tipología	Periodos de devengo ejercicio t
Jorge Gallardo Ballart	Dominical	2021
Gianfranco Nazzi	Ejecutivo	2021
Tom McKillop	Externo	2021
Enrique de Leyva Pérez	Independiente	2021

Gerhard Mayr	Independiente	2021
Karin Dorrepaal	Independiente	2021
Antonio Gallardo Torrededía	Dominical	2021
Carlos Gallardo Piqué	Dominical	2021
Seth J. Orlow	Independiente	2021
Georgia Garinois-Melenikiotou	Independiente	2021
Alexandra B. Kimball	Independiente	2021
Eva-Lotta Coulter	Independiente	2021
Ruud Dobber	Independiente	2021

C.1. Complete los siguientes cuadros respecto a la remuneración individualizada de cada uno de los consejeros (incluyendo la retribución por el ejercicio de funciones ejecutivas) devengada durante el ejercicio.

**a) Retribuciones de la sociedad objeto del presente informe:**

**i) Retribución devengada en metálico (en miles de €)**

Nombre	Remuneración fija	Dietas	Remuneración por pertenencia a comisiones del consejo	Sueldo	Retribución variable a corto plazo	Retribución variable a largo plazo	Indemnización	Otros conceptos	Total ejercicio t	Total ejercicio t-1
Jorge Gallardo Ballart	350								350	350
Gianfranco Nazzi	22,5			527				429	978,5	
Tom McKillop	140		30						170	170
Gerhard Mayr	90		40						130	130
Karin Dorrepaal	90		30						120	122,5
Antonio Gallardo Torrededía	50		30						80	80
Carlos Gallardo Piqué	100		30						130	92,5
Seth J. Orlow	90		40						130	130
Georgia Garinois-Melenikiotou	90		30						120	150
Enrique de Leyva Pérez	90		40						130	127,5
Alexandra B. Kimball	90		30						120	60
Eva-Lotta Coulter	90		30						120	60
Ruud Dobber	45		15						60	----

Observaciones
<p>El Consejero Delegado Gianfranco Nazzi se incorporó a la compañía y al Consejo en Q2 2021.</p> <p>El consejero Ruud Dobber se incorporó al Consejo en Q3 2021.</p>

**ii) Cuadro de movimientos de los sistemas de retribución basados en acciones y beneficio bruto de las acciones o instrumentos financieros consolidados**

Nombre	Denominación Del Plan	Instrumentos Financieros al principio Del ejercicio t		Instrumentos financieros Concedidos durante el ejercicio t		Instrumentos financieros consolidados en el ejercicio				Instrumentos vencidos y no ejercidos	Instrumentos financieros al final del ejercicio t	
		Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes/ consolidadas	Precio de las acciones consolidadas	Beneficio Bruto de las Acciones o instrumentos financieros consolidados (miles€)	Nº instrumentos	Nº instrumentos	Nº Acciones equivalentes
Gianfranco Nazi	Seus Plan 1 2021	48,826	48,826									

Observaciones
El Consejero Gianfranco Nazi se incorporó al Consejo y la Compañía durante Q2 2021, por lo que no habrá ningún SEUS Plan consolidado hasta 2022.

### iii) Sistemas de ahorro a largo plazo

	Remuneración por consolidación de derechos a sistemas de ahorro
Consejero 1	

Nombre	Aportación del ejercicio por parte de la sociedad (miles €)				Importe de los fondos acumulados (miles €)			
	Sistemas de ahorro con derechos económicos consolidados		Sistemas de ahorro con derechos económicos no consolidados					
	Ejercicio t	Ejercicio t-1	Ejercicio t	Ejercicio t-1	Ejercicio t		Ejercicio t-1	
					Sistemas con derechos económicos consolidados	Sistemas con derechos económicos no consolidados	Sistemas con derechos económicos consolidados	Sistemas con derechos económicos no consolidados
Consejero 1								

Observaciones

### iv) Detalle de otros conceptos

Nombre	Concepto	Importe retributivo
Consejero 1		

Observaciones

## b) Retribuciones a los consejeros de la sociedad cotizada por su pertenencia a órganos de administración de sus entidades dependientes:

### i) Retribución devengada en metálico (en miles de €)



Nombre	Remuneración fija	Dietas	Remuneración por pertenencia a comisiones del consejo	Sueldo	Retribución variable a corto plazo	Retribución variable a largo plazo	Indemnización	Otros conceptos	Total ejercicio t	Total ejercicio t-1

Observaciones
No aplicable

**ii) Cuadro de movimientos de los sistemas de retribución basados en acciones y beneficio bruto de las acciones o instrumentos financieros consolidados**

Nombre	Denominación del plan	Instrumentos Financieros al principio del ejercicio t		Instrumentos Financieros concedidos durante el ejercicio t		Instrumentos financieros consolidados en el ejercicio				Instrumentos vencidos y no ejercidos	Instrumentos financieros al Final del ejercicio t	
		Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes / consolidadas	Precio de las acciones consolidadas	Beneficio Bruto de las acciones o instrumentos financieros consolidados (miles €)	Nº instrumentos	Nº instrumento	Nº Acciones equivalentes

Observaciones
No aplicable

**iii) Sistemas de ahorro a largo plazo**

	Remuneración por consolidación de derechos a sistemas de ahorro
Consejero 1	

		Aportación del ejercicio por parte de la sociedad (miles €)				Importe de los fondos acumulados (miles €)			
Nombre	Sistemas de ahorro con derechos económicos consolidados		Sistemas de ahorro con derechos económicos no consolidados						
	Ejercicio t	Ejercicio t-1	Ejercicio t	Ejercicio t-1	Ejercicio t		Ejercicio t-1		
					Sistemas con derechos económicos consolidados	Sistemas con derechos económicos no consolidados	Sistemas con derechos económicos consolidados	Sistemas con derechos económicos no consolidados	
Consejero 1									

Observaciones
No aplicable

**iv) Detalle de otros conceptos**

Nombre	Concepto	Importe retributivo
Consejero 1		

Observaciones
No aplicable

**c) Resumen de las retribuciones (en miles de €):**

Se deberán incluir en el resumen los importes correspondientes a todos los conceptos retributivos incluidos en el presente informe que hayan sido devengados por el consejero, en miles de euros.

Nombre	Retribución devengada en la Sociedad					Retribución devengada en sociedades del grupo					Total ejercicio t sociedad grupo
	Total Retribución metálico	Beneficio bruto de las acciones o instrumentos financieros consolidados	Remuneración por sistemas de ahorro	Remuneración por otros conceptos	Total ejercicio t sociedad	Total Retribución metálico	Beneficio bruto de las acciones o instrumentos financieros consolidados	Remuneración por sistemas de ahorro	Remuneración por otros conceptos	Total ejercicio t grupo	
Jorge Gallardo Ballart	350				350						
Gianfranco Nazzi	978,5				978,5						
Tom McKillop	170				170						
Gerhard Mayr	130				130						
Karin Dorrepaal	120				120						
A. Gallardo Torrededía	80				80						
Carlos Gallardo Piqué	130				130						
Seth J. Orlow	130				130						
Georgia Garinois-Melenekiotou	120				120						
Enrique de Leyva Pérez	130				130						
Alexa B. Kimball	120				120						
Eva-Lotta Coulter	120				120						
Ruud Dobber	60				60						
<b>Total:</b>	<b>2638,5</b>				<b>2638,5</b>						

Observaciones

C.2 Indique la evolución en los últimos 5 años del importe y variación porcentual de la retribución devengada por cada uno de los consejeros de la cotizada que lo hayan sido durante el ejercicio, de los resultados consolidados de la sociedad y de la remuneración media sobre una base equivalente a tiempo completo de los empleados de la sociedad y de sus entidades dependientes que no sean consejeros de la cotizada

Importes totales devengados y % variación anual									
	Ejercicio t	% Variación t/t-1	Ejercicio t-1	% Variación t-1/t-2	Ejercicio t-2	% Variación t-2/t-3	Ejercicio t-3	% Variación t-3/t-4	Ejercicio t-4
Consejeros Ejecutivos									
Gianfranco Nazzi	978,5								

<b>Consejeros Externos</b>									
Sir Tom McKillop	170	0	170	+13,3	150	+15,38	130	0	130
<b>Consejeros Independientes</b>									
Gerhard Mayr	130	0	130	+4	125	+4,17	120	0	120
Karin Dorrepaal	120	-1,639	122	-6,15	130	0	130	0	130
Seth Orlow	130	0	130	0	130	0	130	0	130
Georgia Garionois-Melenikiotou	120	-20	150	+11,11	135	+12,5	120	0	120
Enrique De Leyva Pérez	130	+2,362	127	+5,83	120				
Alexandra B. Kimball	120	+100	60						
Eva-Lotta Coulter	120	+100	60						
Ruud Dobber	60								
<b>Consejeros dominicales</b>									
Jorge Gallardo Ballart	350	0	350	0	350	0	350	0	350
Antonio Gallardo Torrededía	80	0	80	0	80	+37,93	58	+16	50
Carlos Gallardo Piqué	130	+39,78	93	+16,25	80	+40,35	57	+14	50
<b>Resultados consolidados de la sociedad</b>	-40.859	-155,0	74.280	-29,86	105.909	+36,19	77.764	-125,58	-303.961
<b>Remuneración media de los empleados</b>	72	- 2	74	- 0,5	74	+ 3,29	72		

## **D OTRAS INFORMACIONES DE INTERÉS**

Si existe algún aspecto relevante en materia de remuneración de los consejeros que no se haya podido recoger en el resto de apartados del presente informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas retributivas de la sociedad en relación con sus consejeros, detállelos brevemente.

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Durante 2021 el consejero ejecutivo anterior percibió las cantidades previstas e indicadas en el IARC de 2020.

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Este informe anual de remuneraciones ha sido aprobado por el consejo de administración de la sociedad, en su sesión de fecha 18.02.22.

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

Sí ☐

No ☒

Nombre o denominación social del miembros del consejo de administración que no ha votado a favor de la aprobación del presente informe	Motivos (en contra, abstención, no asistencia)	Explique los motivos



Almirall, S.A.

Informe de auditor referido a la "Información  
relativa al Sistema de Control Interno sobre la  
Información Financiera (SCIIF)" de Almirall, S.A.  
correspondiente al ejercicio 2021



KPMG Auditores, S.L.  
Torre Realia  
Plaça d'Europa, 41-43  
08908 L'Hospitalet de Llobregat  
(Barcelona)

## **Informe de auditor referido a la “Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)” de Almirall, S.A. correspondiente al ejercicio 2021**

A los administradores de Almirall, S.A.

De acuerdo con la solicitud del Consejo de Administración de Almirall, S.A. (la Entidad) y con nuestra carta propuesta de fecha 24 de diciembre de 2021, hemos aplicado determinados procedimientos sobre la “Información relativa al SCIIF” adjunta en el apartado F del Informe Anual de Gobierno Corporativo (IAGC) de Almirall, S.A. correspondiente al ejercicio 2021, en el que se resumen los procedimientos de control interno de la Entidad en relación a la información financiera anual.

El Consejo de Administración es responsable de adoptar las medidas oportunas para garantizar razonablemente la implantación, mantenimiento y supervisión de un adecuado sistema de control interno, así como del desarrollo de mejoras de dicho sistema y de la preparación y establecimiento del contenido de la Información relativa al SCIIF adjunta.

En este sentido, hay que tener en cuenta que, con independencia de la calidad del diseño y operatividad del sistema de control interno adoptado por la Entidad en relación a la información financiera anual, éste sólo puede permitir una seguridad razonable, pero no absoluta, en relación con los objetivos que persigue, debido a las limitaciones inherentes a todo sistema de control interno.

En el curso de nuestro trabajo de auditoría de las cuentas anuales y conforme a las Normas Técnicas de Auditoría, nuestra evaluación del control interno de la Entidad ha tenido como único propósito el permitirnos establecer el alcance, la naturaleza y el momento de realización de los procedimientos de auditoría de las cuentas anuales de la Entidad. Por consiguiente, nuestra evaluación del control interno, realizada a efectos de dicha auditoría de cuentas, no ha tenido la extensión suficiente para permitirnos emitir una opinión específica sobre la eficacia de dicho control interno sobre la información financiera anual regulada.

A los efectos de la emisión de este informe, hemos aplicado exclusivamente los procedimientos específicos descritos a continuación e indicados en la *Guía de Actuación sobre el Informe del auditor referido a la Información relativa al Sistema de Control Interno sobre la Información Financiera de las entidades cotizadas*, publicada por la Comisión Nacional del Mercado de Valores en su página web, que establece el trabajo a realizar, el alcance mínimo del mismo, así como el contenido de este informe. Como el trabajo resultante de dichos procedimientos tiene, en cualquier caso, un alcance reducido y sustancialmente menor que el de una auditoría o una revisión sobre el sistema de control interno, no expresamos una opinión sobre la efectividad del mismo, ni sobre su diseño y su eficacia operativa, en relación a la información financiera anual de la Entidad correspondiente al ejercicio 2021 que se describe en la Información relativa al SCIIF adjunta. En consecuencia, si hubiéramos aplicado procedimientos adicionales a los determinados por la citada Guía o realizado una auditoría o una revisión sobre el sistema de control interno en relación a la información financiera anual regulada, se podrían haber puesto de manifiesto otros hechos o aspectos sobre los que les habríamos informado.

Asimismo, dado que este trabajo especial no constituye una auditoría de cuentas ni se encuentra sometido a la normativa vigente en materia de auditoría de cuentas en España, no expresamos una opinión de auditoría en los términos previstos en la citada normativa.

Se relacionan a continuación los procedimientos aplicados:

1. Lectura y entendimiento de la información preparada por la entidad en relación con el SCIIF – información de desglose incluida en el Informe de Gestión - y evaluación de si dicha información aborda la totalidad de la información requerida que seguirá el contenido mínimo descrito en el apartado F, relativo a la descripción del SCIIF, del modelo de IAGC según se establece en la Circular 5/2013 de 12 de junio de la Comisión Nacional del Mercado de Valores (CNMV) y modificaciones posteriores, siendo la más reciente la Circular 3/2021, de 28 de septiembre de la CNMV (en adelante, las Circulares de la CNMV).
2. Preguntas al personal encargado de la elaboración de la información detallada en el punto 1 anterior con el fin de: (i) obtener un entendimiento del proceso seguido en su elaboración; (ii) obtener información que permita evaluar si la terminología utilizada se ajusta a las definiciones del marco de referencia; (iii) obtener información sobre si los procedimientos de control descritos están implantados y en funcionamiento en la entidad.
3. Revisión de la documentación explicativa soporte de la información detallada en el punto 1 anterior, y que comprenderá, principalmente, aquella directamente puesta a disposición de los responsables de formular la información descriptiva del SCIIF. En este sentido, dicha documentación incluye informes preparados por la función de auditoría interna, alta dirección y otros especialistas internos o externos en sus funciones de soporte al comité de auditoría.
4. Comparación de la información detallada en el punto 1 anterior con el conocimiento del SCIIF de la entidad obtenido como resultado de la aplicación de los procedimientos realizados en el marco de los trabajos de la auditoría de cuentas anuales.
5. Lectura de actas de reuniones del consejo de administración, comité de auditoría y otras comisiones de la entidad a los efectos de evaluar la consistencia entre los asuntos en ellas abordados en relación al SCIIF y la información detallada en el punto 1 anterior.
6. Obtención de la carta de manifestaciones relativa al trabajo realizado adecuadamente firmada por los responsables de la preparación y formulación de la información detallada en el punto 1 anterior.



Como resultado de los procedimientos aplicados sobre la Información relativa al SCIIF de Almirall, S.A. correspondiente al ejercicio 2021 no se han puesto de manifiesto inconsistencias o incidencias que puedan afectar a la misma.

Este informe ha sido preparado exclusivamente en el contexto de los requerimientos establecidos por el artículo 540 del Texto Refundido de la Ley de Sociedades de Capital y por las Circulares de la CNMV a los efectos de la descripción del SCIIF en los Informes Anuales de Gobierno Corporativo.

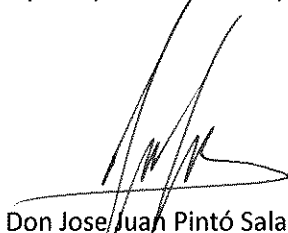
KPMG Auditores, S.L.



**DON JOSE JUAN PINTÓ SALA**, en su calidad de Secretario no consejero de Almirall S.A.,

Se manifiesta que el 21 de febrero de 2022 se remitió a la CNMV la información financiera Individual y Consolidada correspondiente al ejercicio 2021 en su versión en Español. Se acompañaba a dicha información parte de la misma en inglés. Que no todos los documentos disponibles traducidos al inglés por parte de Almirall, se remitieron en el envío realizado el día 21 de febrero de 2022. Para completarlo, se adjunta a este escrito todos los documentos disponibles en su versión en Inglés.

Y para que conste se expide el presente Certificado en Barcelona, a 3 de Marzo de 2022



Don Jose Juan Pintó Sala

Secretario no consejero del consejo de Administración de Almirall S.A.





**MR. JOSÉ JUAN PINTÓ SALA**, as Secretary-non-member of the Board of Almirall S.A.

It is stated that on February 21, 2022, the Individual and Consolidated Financial Information corresponding to the 2021 financial year was sent to the CNMV in its Spanish version. Said information was accompanied by part of it in English. Not all the available documents translated into English by Almirall were sent in the shipment made on February 21, 2022. All the documents available in the corresponding English version are attached to this file.

This certificate is issued in Barcelona, 3<sup>rd</sup> of March 2022

Mr. José Juan Pintó Sala

Secretary-non-member of the Board of Almirall S.A. (non-member)



This document contains the following elements:

1. Auditor Report *(English translation)*
2. Financial Statements *(English translation)*
3. Directors' report *(English translation)*

All those documents are available in the Spanish version of the accounts reported to the CNMV.

21<sup>st</sup> February 2022.

***Translation of documents originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails***



# Auditor's Report on Almirall, S.A.

(Together with the annual accounts and  
directors' report of Almirall, S.A. for the year  
ended 31 December 2021)

*(Translation from the original in Spanish. In the  
event of discrepancy, the Spanish-language  
version prevails.)*



KPMG Auditores, S.L.  
Torre Realia  
Plaça d'Europa, 41-43  
08908 L'Hospitalet de Llobregat  
(Barcelona)

## **Independent Auditor's Report on the Annual Accounts**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

To the Shareholders of Almirall, S.A.

### **REPORT ON THE ANNUAL ACCOUNTS**

#### **Opinion**

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We have audited the annual accounts of Almirall, S.A. (the "Company"), which comprise the balance sheet at 31 December 2021, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the accompanying annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

#### **Basis for Opinion**

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We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation of non-current investments in Group companies and associates See note 8 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Non-current investments in Group companies and associates detailed in note 8 to the accompanying annual accounts and amounting to Euros 1,380 million, represent approximately 59% of the Company's total assets at 31 December 2021.</p> <p>The Company performs an annual assessment of the existence of objective evidence of impairment of investments in Group companies and associates, and estimates the recoverable amount at reporting date of those entities for which objective evidence of impairment exists.</p> <p>We focus on this area due to the relevant carrying amount of these investments and because the evaluation made by Company management and Directors to identify any indications of impairment and, in this case, their recoverable amount, entails significant judgements and estimates, principally on the future results of the aforementioned investees.</p> <p>As indicated in note 8 to the accompanying annual accounts, during 2021 the activity of the subsidiary Almirall, LLC (a wholly owned company through the direct investee Almirall, Inc.) has been negatively affected by the aspects described in that note. This has led to a reduction in the financial outlook of the variables indicated in that note for the coming years with regard to those foreseen in the previous business plan and a re-assessment of the business plan for future years. Impairment testing carried out based on the new revised business plan has led to the recognition of a Euros 140 million provision for impairment of Almirall, Inc.'s investment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>– Assessing the design and implementation of the internal control established by the Company with respect to the process of estimating the recoverable amount of investments in Group companies and associates.</li> <li>– Evaluating the criteria used by the Company in the process of assessing the existence of objective evidence of impairment of the investments in Group companies and associates.</li> <li>– We involved valuation specialists for the following procedures: <ul style="list-style-type: none"> <li>○ Evaluating the discount rate applied.</li> <li>○ Analysing the reasonableness of the valuation methodology using discounted cash flows used to calculate the recoverable amount.</li> </ul> </li> <li>– Assessing and querying the composition of future cash flow forecasts used by the Company which served as the basis for its calculations, as well as the process by which they are prepared, including their consistency with the business plans.</li> <li>– Evaluating the reasonableness of the methodology and assumptions used by the Company.</li> </ul> <p>We also assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</p>

**Recoverability of deferred tax assets**

See note 18 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As indicated in note 18 to the accompanying annual accounts, at 31 December 2021 the Company has recognised deferred tax assets for a total of Euros 188 million. This amount represents 8% of total assets and primarily corresponds to deductions generated for research and development to be applied to corporate income tax by the Spanish tax group.</p> <p>The recoverability of these deferred tax assets is analysed on a yearly basis by Company management and Directors in line with the best estimate of taxable income for the next 10 years. This is deemed to be a reasonably foreseeable deadline, even though some of the deductions expire on dates after this period. Therefore, management has prepared projections of the Spanish tax group's estimated results.</p> <p>The analysis of the recoverability of deferred tax assets is considered a key matter of our audit because it requires a significant degree of judgement and estimate as tax gains depend on future tax profits and there are inherent uncertainties regarding the forecasts, which form the basis for assessing recoverability.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>— Assessing the design and implementation of internal control over the recognition and measurement of deferred tax assets.</li><li>— Evaluating that the Spanish tax group's projected results are in line with the business plans approved by Company management.</li><li>— Evaluating the main key assumptions on growth rates and on profit margins that support these projections and the degree of fulfilment of the business estimates referring to the Spanish tax group in the current year.</li><li>— We contrasted the key calculation assumptions in the future application of the tax credits in accordance with prevailing tax legislation applicable for coming years.</li></ul> <p>We also assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</p>



## Valuation of the financial assets deriving from the transaction with AstraZeneca

See note 9 to the annual accounts

Key audit matter	How the matter was addressed in our audit
<p>As a result of the transaction with AstraZeneca in November 2014, Almirall, S.A. signed an agreement with AstraZeneca UK Limited whereby it transferred the rights to part of its respiratory franchise, as well as the personnel for commercialisation thereof. This transaction represented the sale of a business.</p> <p>Upon signing this sale transaction, it was agreed that cash amounts and other deferred amounts would be received based on the fulfilment of certain commercial milestones and the volume of future sales of licensed products estimated until 2035. In view of the specific characteristics of the payment for the sale of this business, a financial asset was recognised for future receivables, measured at fair value through profit or loss. The initial valuation was made based on a study prepared by an independent expert, which the Company updates internally at each reporting date with changes in fair value recognised against the income statement for the year.</p> <p>As indicated in note 9 to the accompanying annual accounts, this financial asset amounts to Euros 98 million (non-current portion of Euros 79 million and current portion of Euros 19 million) at 31 December 2021. The valuation of this financial asset is subject to relevant judgements and estimates by management. Note 4 to the annual accounts indicates the terms of the main calculation assumptions, as well as a sensitivity analysis thereon. Given the significance of the amounts, as well as the level of judgement and estimate required to determine the value in the balance sheet at the reporting date, we consider this to be a key audit matter of our audit.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessing the design and implementation of internal control over measurement of said financial asset.</li> <li>Evaluating management's process for determining the probabilities, as well as the financial assumptions used to measure the financial asset.</li> <li>Assessing the assignment of probabilities of success to the different milestones, taking into account historical experience.</li> <li>Evaluating the discount rate applied.</li> <li>Assessing the projections for future sales of licensed products, based on the historical sales information provided by AstraZeneca UK Limited.</li> <li>Querying the valuation methodology using a sensitivity analysis regarding the key assumptions and comparing the results with the recognised amount.</li> </ul> <p>We also assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</p>

## Other Information: Directors' Report

Other information solely comprises the 2021 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the annual accounts.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

Our audit opinion on the annual accounts does not encompass the directors' report. Our responsibility regarding the information contained in the directors' report is defined in the legislation regulating the audit of accounts, as follows:

- a) Determine, solely, whether the non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.
- b) Assess and report on the consistency of the rest of the information included in the directors' report with the annual accounts, based on knowledge of the entity obtained during the audit of the aforementioned annual accounts. Also, assess and report on whether the content and presentation of this part of the directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the directors' report is consistent with that disclosed in the annual accounts for 2021, and that the content and presentation of the report are in accordance with applicable legislation.

### **Directors' and Audit Committee's Responsibility for the Annual Accounts \_\_\_\_\_**

The Directors are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing the preparation and presentation of the annual accounts.





## **Auditor's Responsibilities for the Audit of the Annual Accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors<sup>2</sup>.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

We communicate with Almirall, S.A.'s audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit committee with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee of the entity, we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **European Single Electronic Format**

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We have examined the digital file of Almirall, S.A. for 2021 in European Single Electronic Format (ESEF) comprising an XHTML file with the annual accounts for the aforementioned year, which will form part of the annual financial report.

The Directors of Almirall, S.A. are responsible for the presentation of the 2021 annual financial report in accordance with the format requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the "ESEF Regulation").

Our responsibility consists of examining the digital file prepared by the Company's Directors, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the annual accounts included in the aforementioned digital file fully corresponds to the annual accounts we have audited, and whether the annual accounts have been formatted, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital file examined fully corresponds to the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

## **Additional Report to the Audit Committee**

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The opinion expressed in this report is consistent with our additional report to the Company's audit committee dated 18 February 2022.

## **Contract Period**

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We were appointed as auditor by the shareholders at the ordinary general meeting on 7 May 2021 for a period of three years, beginning after the year ended 31 December 2021.

KPMG Auditores, S.L.  
On the Spanish Official Register of  
Auditors ("ROAC") with No. S0702

*(Signed on the original in Spanish)*

Juan Ramón Aceytuno Mas  
On the Spanish Official Register of Auditors ("ROAC") with No. 16084  
18 February 2022

## **ALMIRALL, S.A.**

Annual Accounts for the year ended  
December 31, 2021 and  
Directors' Report

*(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).*

**ALMIRALL, S.A.**  
Balance Sheet for the year ended December 31  
(Thousand euro)

ASSETS	Nota	31/12/2021	31/12/2020
<b>NON-CURRENT ASSETS</b>	5	290,172	257,913
Intangible assets	6	34,878	33,679
Property, plant and equipment	8	1,380,168	1,474,939
Long-term investments in group companies and associates	9	79,511	85,474
Long-term investments	18	188,011	210,274
<b>TOTAL NON -CURRENT ASSETS</b>		<b>1,972,740</b>	<b>2,062,279</b>
Inventories	10	67,576	75,807
Trade and other receivables		93,731	119,078
Trade receivables for sales and services rendered	11	28,971	21,680
Trade receivables, group companies and associates	11 y 20	41,463	50,879
Sundry accounts receivable	11	131	98
Personnel		48	129
Current tax assets	18	16,240	39,437
Other receivables with Public Administrations	18	6,878	6,855
Short-term investments in group companies and associates	8 y 20	2,186	264
Short-term financial investments	9	20,152	26,148
Prepayment and accrued income		5,344	4,882
Cash and cash equivalents		161,105	127,755
<b>TOTAL CURRENT ASSETS</b>		<b>350,094</b>	<b>353,934</b>
<b>TOTAL ASSETS</b>		<b>2,322,834</b>	<b>2,416,213</b>

LIABILITIES AND EQUITY	Nota	31/12/2021	31/12/2020
<b>Shareholders' funds</b>		<b>1,310,433</b>	<b>1,378,883</b>
Share capital	12	21,573	21,374
Share premium	12	301,058	279,162
Legal reserve	12	4,275	4,189
Other reserves	12	1,042,492	1,066,708
Own shares and equity instruments	12	(2,131)	(2,261)
Profit/(loss) for the year		(56,834)	9,711
<b>TOTAL EQUITY</b>		<b>1,310,433</b>	<b>1,378,883</b>
Long-term provisions	14	33,824	34,474
Long-term payables		363,499	229,984
Debentures and other marketable securities	15	294,692	-
Bank borrowings	15	65,000	224,345
Derivatives	16	3,807	5,639
Other financial liabilities	18	29,465	27,412
Deferred tax liabilities	13	1,842	19,613
Accruals and deferred income		428,630	311,483
<b>NON-CURRENT LIABILITIES</b>		<b>428,630</b>	<b>311,483</b>
Short-term provision		1,273	5,791
Short-term payables		39,823	253,476
Debentures and other marketable securities	15	-	239,647
Bank borrowings	15	12,314	5,000
Derivatives	15	-	2,967
Other financial liabilities	16	27,509	5,862
Short-term payables to Group companies and associates	20	419,605	366,111
Trade and other payables		122,368	100,268
Trade payables		47,278	39,362
Trade payables, Group companies and associates	20	25,500	15,163
Sundry payables		33,352	27,523
Accrued wages and salaries		12,195	10,566
Current tax liabilities		-	88
Other payables with Public Administrations	18	4,043	7,566
Accruals and deferred income		701	201
<b>TOTAL CURRENT LIABILITIES</b>		<b>583,771</b>	<b>725,847</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,322,834</b>	<b>2,416,213</b>

The accompanying Notes 1 to 27 and the Appendix are an integral part of the annual accounts for the year ended December 31, 2021.

**Almirall, S.A.**  
Income Statement for year ended December 31 (Thousand euro)

	Note	Year 2021	Year 20120
Net Sales	19	520,166	519,672
Changes in inventories of finished products and work in progress	10	(9,659)	10,027
Own work capitalised		4,827	3,315
Raw materials and consumables	19	(184,915)	(197,264)
Other operating income	19	62,369	77,813
Staff costs	19	(72,836)	(64,699)
Other operating expenses	19	(214,627)	(192,556)
Losses, impairment and variation in trade provisions	19	880	(639)
Fixed asset amortization/ depreciation	5 and 6	(25,099)	(26,960)
Release of non-financial asset grants and other		47	65
Other losses in ordinary course of business			-
Impairment and profit/(loss) on fixed asset disposals in group companies	19	(119,376)	(86,851)
<b>Operating profit/(loss)</b>		<b>(38,223)</b>	<b>41,923</b>
Financial income	19	486	1,365
Financial expenses	19	(20,237)	(17,496)
Exchange differences	19	16,529	(15,184)
Impairment, profit /(loss) on disposals and change in fair value of financial instruments	19	3,218	7,478
<b>Financial income/(expense)</b>		<b>(4)</b>	<b>(23,837)</b>
<b>Profit /(loss) before taxes</b>		<b>(38,227)</b>	<b>18,086</b>
Income taxes	18	(18,607)	(8,375)
<b>Profit/(loss) for the year</b>		<b>(56,834)</b>	<b>9,711</b>

The accompanying Notes 1 to 27 and the Appendix are an integral part of the annual accounts for the year ended December 31, 2021.

**Almirall, S.A.**  
Income Statement for year ended December 31 (Thousand euro)

**A) STATEMENT OF RECOGNISED INCOME AND EXPENSE (Thousand euro)**

	Note	Year ended December 31	
		2021	2020
<b>RESULTS RECOGNISED IN THE INCOME STATEMENT (I)</b>			
		<b>(56,834)</b>	<b>9,711</b>
<b>Income and expenses taken directly to equity</b>			
Grants, donations and bequests received		-	-
Tax effect		-	-
<b>Total income and expenses taken directly to equity (II)</b>		-	-
<b>Transfers to the income statement:</b>			
Measurement of financial instruments		-	-
Grants, donations and bequests received		-	(43)
Tax effect		-	-
<b>Total transfers to the income statement (III)</b>		-	(43)
<b>Total recognised income and expense (I+II+III)</b>		<b>(56,834)</b>	<b>9,668</b>

The accompanying Notes 1 to 27 and the Appendix are an integral part of the annual accounts for the year ended December 31, 2021.

**Almirall, S.A.**  
Statement of changes in equity for the year ended December 31  
(Thousand euro)

**B) TOTAL STATEMENT OF CHANGES IN EQUITY (Thousand euro)**

	NOTE	Authorised capital	Share premium	Legal reserve	Other reserves	Own shares and equity instruments	Prior year results	Profit /(loss) for year	Value change adjustments	Grants, donations and bequests	Equity
<b>Balance at December 31, 2019</b>	<b>12</b>	<b>20,947</b>	<b>246,285</b>	<b>4,172</b>	<b>1,069,621</b>	<b>(1,773)</b>	<b>(158,988)</b>	<b>191,527</b>	<b>-</b>	<b>43</b>	<b>1,371,834</b>
Distribution of results		-	-	17	32,522	-	158,988	(191,527)	-	-	-
Dividends		427	32,877	-	(35,435)	-	-	-	-	-	(2,130)
Recognised income and expense		-	-	-	-	-	-	9,711	-	(43)	9,668
Transactions with own shares and equity instruments		-	-	-	-	(488)	-	-	-	-	(488)
<b>Balance at December 31, 2020</b>	<b>Error! Reference source not found.</b>	<b>21.374</b>	<b>279.162</b>	<b>4.189</b>	<b>1.066.708</b>	<b>(2.261)</b>	<b>-</b>	<b>9.711</b>	<b>-</b>	<b>-</b>	<b>1,378,883</b>
Distribution of results	<b>3</b>	-	-	86	9,625	-	-	(9,711)	-	-	-
Dividends		199	21,896	-	(33,841)	-	-	-	-	-	(11,746)
Recognised income and expense		-	-	-	-	-	-	(56,834)	-	-	(56,834)
Transactions with own shares and equity instruments		-	-	-	-	130	-	-	-	-	130
<b>Balance at December 31, 2021</b>	<b>Error! Reference source not found.</b>	<b>21,573</b>	<b>301,058</b>	<b>4,275</b>	<b>1,042,492</b>	<b>(2,131)</b>	<b>-</b>	<b>(56,834)</b>	<b>-</b>	<b>-</b>	<b>1,310,433</b>

The accompanying Notes 1 to 27 and the Appendix are an integral part of the annual accounts for the year ended December 31, 2021.



**ALMIRALL, S.A.**

Cash flow statement for the year ended December 31 (Thousand euro)

		Year ended December	
	Note	2021	2020
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Profit/ (loss) for the year before tax</b>		<b>(38,227)</b>	<b>18,086</b>
<b>2. Adjustments to results</b>		<b>113,910</b>	<b>26,369</b>
Fixed asset amortization/ depreciation (+)	5 & 6	25,099	26,960
Value adjustments for impairment (+/-)	5,8,10 & 11	118,864	86,450
Change in allowances and provisions (+/-)	14 & 19	4,396	(1,482)
Release of grants (+/-)		(47)	(65)
Profit/(loss) on write-offs and disposals of fixed assets (+/-)	19	955	385
Financial income and dividends received (-)	19 & 20	(11,141)	(53,412)
Financial expenses (+)	19	20,237	17,496
Exchange differences (+/-)	19	(16,529)	15,184
Variation in the fair value of financial instruments (+/-)	19	(3,218)	(7,478)
Deferred income	13	(409)	(410)
Inclusion of deferred income on the AstraZeneca transaction	13	(17,363)	(52,246)
Recognition of financial asset value not collected	9	(6,934)	(5,013)
<b>3. Changes in working capital</b>		<b>22,501</b>	<b>16,053</b>
Inventories (+/-)	10	7,899	(19,425)
Debtors and other receivables (+/-)	11	2,554	(964)
Other current assets (+/-)		(963)	50,583
Creditors and other payables (+/-)		18,766	(14,342)
Other current liabilities (+/-)		(5,755)	201
<b>4. Other cash flows from operating activities</b>		<b>25,528</b>	<b>35,012</b>
Interest paid (-)	19	(5,870)	(6,153)
Dividends and interests received (+)	20	2,458	52,047
Corporate income tax collections/payments (+/-)	18	28,817	(9,927)
Other non-current assets and liabilities (+/-)		123	(955)
<b>5. Cash flows from operating activities (+/-1+/-2+/-3+/-4)</b>		<b>123,712</b>	<b>95,520</b>
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>6. Payments for investments (-)</b>		<b>(39,864)</b>	<b>(65,428)</b>
Group companies and associates	8	(1,922)	-
Intangible assets	5	(33,272)	(62,009)
Property, plant and equipment	6	(3,588)	(3,419)
Other financial assets	9	(1,083)	-
<b>7. Collections from divestments (+)</b>		<b>14,027</b>	<b>721</b>
Group companies and associates	8	-	608
Property, plant and equipment	6	-	113
Other financial assets	9	13,994	-
Other assets	9	33	-
<b>8. Cash flows from investing activities (7-6)</b>		<b>(25,837)</b>	<b>(64,707)</b>
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>9. Receipts and payments equity instruments</b>		<b>131</b>	<b>(488)</b>
Acquisition own equity instruments		131	(488)
<b>10. Receipts and payments financial liability instruments</b>		<b>(59,159)</b>	<b>16,349</b>
Issue		348,257	25,995
Bonds and other marketable securities (+)	15	294,411	-
Bank loans (+)	15	102	213
Payable to Group companies and associates (+)	15	53,494	25,782
Other payables	15	250	-
Return and repayment of:		(407,416)	(9,646)
Bonds and other marketable securities (-)	15	(250,000)	-
Bank loans (-)	15	(155,000)	-
Payable to Group companies and associates (-)	15	-	-
Other payables (-)	16	(2,416)	(9,646)
<b>11. Dividend payments and return on other equity instruments</b>		<b>(11,746)</b>	<b>(2,130)</b>
Dividends (-)	3	(11,746)	(2,130)
<b>12. Cash flows from financing activities (+/-9+/-10)</b>		<b>(70,774)</b>	<b>13,731</b>
<b>D) EFFECT OF EXCHANGE RATE FLUCTUATIONS</b>		<b>305</b>	<b>(118)</b>
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (+/-5+/-8+/-11+/-D)</b>		<b>28,216</b>	<b>44,426</b>
Cash and cash equivalents at beginning of the year	4-e/ 9	<b>133,714</b>	<b>89,288</b>
Cash and cash equivalents at end of the year	4-e /9	<b>161,120</b>	<b>133,714</b>

The accompanying Notes 1 to 27 and the Appendix are an integral part of the annual accounts for the year ended December 31, 2021.

**Almirall, S.A.**  
Notes to the annual accounts for 2021  
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**1. Company activity**

The corporate purpose of Almirall, S.A. ("the Company") basically consists of the acquisition, manufacture, storage, marketing and representation in the sale of pharmaceutical specialties and products and all manner of raw materials used to prepare the aforementioned pharmaceutical specialties and products.

The Company's corporate purpose also includes:

- The acquisition, manufacture, storage, sale and mediation in the sale of cosmetics, chemical, biotechnological and diagnostic products for human, veterinary, agrochemical and food-industry use, as well as all manner of utensils, complements and accessories for the chemical, pharmaceutical and clinical industries.
- Research into chemical and pharmaceutical ingredients and products.
- The acquisition, sale, lease, subdivision and development of plots, land and properties of all kind, including the performance of construction work thereon and their disposal, in full, in part or under a condominium property arrangement.
- The provision of prevention services of the companies and companies participating in the company under the article 15 of Royal Decree 39/1997, of January 17, which establishes the Regulation of Prevention Services, and regulations of developing. This activity may be regulated and developed in a joint manner for related companies and participants in it, according to the article 21 of the legal text. It is expressly stated that said activity is not subject to administrative authorization as established by law. This activity may be subcontracted to other specialized entities under the provisions of article 15 of RD 39/1997.
- Manage and direct the participation of the Company in the social capital of other entities, through the corresponding organization of personal and material.

In accordance with the Company's Articles of Association, the corporate purpose may be carried on, in full or in part, directly by the company or indirectly through the ownership of shares, equity instruments or any other rights or interests in companies or other types of entity with or without legal personality, resident in Spain or abroad, engaging in activities that are identical or similar to those composing the Company's corporate purpose.

Almirall, S.A. is the parent company of a Group of companies and, in accordance with current legislation, is obliged to prepare separate consolidated financial statements. The consolidated financial statements for the year ended December 31, 2021, were prepared by its Directors on February 18, 2022 (February 18, 2021 for the financial statements for the year 2020) and approved by the Company's General Shareholders' Meeting held on May 7, 2021. These consolidated financial statements show a consolidated loss of 40.9 million euros in the 2021 financial year (profit of 74.3 million euros in the 2020 financial year) and consolidated equity at December 31, 2021 of 1,286 million euros (1,303 million euros at December 31, 2020). The Company's operations and those of the Group companies are managed on a consolidated basis and, therefore, the Company's results and financial position must be evaluated considering this relationship with the Group companies (Notes 8 and 20).

Almirall, S.A. is a public limited liability company listed on the Spanish stock exchanges included in the Spanish electronic trading system (continual market). Its registered office is located at Ronda General Mitre, 151, Barcelona (Spain).

**2. Basis of presentation of the annual accounts**

**a. *Applicable financial reporting legislation***

The Company's annual accounts for the year ended December 31, 2021, which were obtained from the accounting records held by the Company, were formally prepared by the Company's directors on February 18, 2022.

These annual accounts have been drawn up by the directors within the financial reporting framework applicable to the Company, which is contained in:

- The Code of Commerce, the Spanish Companies Act and other commercial legislation.
- The General Chart of Accounts approved by Royal Decree 1514/2007 together with Royal Decree 1159/2010 and Royal Decree 602/2016 which amends certain aspects of the General Chart of Accounts and its sectoral versions.
- The mandatory standards approved by the Spanish Institute of Auditors and Accountants in the development of the Chart of Accounts and complementary standards.
- Other applicable Spanish accounting legislation.

**Almirall, S.A.**  
Notes to the annual accounts for 2021  
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**b. Comparison of information**

The annual accounts present for comparative purposes, with each of the items of the balance sheet, the income statement, the statement of changes in equity, the cash flow statement and the notes to the financial statements, in addition to the figures for 2021, the figures for the previous year, which formed part of the annual accounts for 2020 approved by the General Shareholders' Meeting on May 7, 2021.

These financial statements have been prepared under the same criteria as the information relating to December 31, 2020, except for the change in the cash flow classification criteria described below, which has had no impact on any Debt/Covenant ratio or on the cash generated at the end of the period. In this regard, the Company has changed the classification criteria of the cash flows associated with the proceeds from the sale made in previous years to AstraZeneca (Note 9) to consider them as investment cash flows in the comparative year 2020.

Transition to the new accounting standards

The accounting principles and the main valuation standards used by the Company for the preparation of these annual accounts are the same as those applied in the previous year, except for the adoption of Royal Decree 1/2021, of January 12, amending the General Accounting Plan approved by Royal Decree 1514/2007, November 16, 2007, as well as the adoption of the Resolution of February 10, 2021, of the Spanish Accounting and Auditing Institute, which establishes rules for the recording, valuation and preparation of the annual accounts for the recognition of income from the delivery of goods and services. The main amendments essentially refer to the transposition to the local accounting environment of most of the standards included in IFRS-EU 9, IFRS-EU 15, IFRS-EU 7 and IFRS-EU 13.

The Company has not had any adjustment to the carrying amount of financial assets and liabilities in reserves as of January 1, 2021 as a result of the application of the new accounting standards.

As a result of the new regulations, as of January 1, 2021 the Company's accounting policies for financial assets and liabilities, derivatives and other financial instruments and revenue recognition have been modified as follows:

Financial Instruments

In relation to financial assets and liabilities, new criteria are introduced for their classification, valuation and derecognition, and new rules are introduced for hedge accounting.

In the first application of this standard on January 1, 2021, the Company has opted for the practical solution of not restating comparative information for the year 2020.

The option is taken to change the classification of assets and liabilities for 2020 without affecting their valuation. The Company has not had any adjustment to the carrying amount of financial assets and liabilities in reserves as of January 1, 2021.

The standard implies a greater breakdown of information in the notes to the financial statements relating to financial instruments, essentially in risk management and in the fair value hierarchy and valuation techniques.

Revenue Recognition

The standard establishes a new revenue recognition model for contracts with customers, where revenue should be recognized based on the fulfilment of performance obligations to customers. Revenue represents the transfer of committed goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

The Company has chosen as the first-time application method as of January 1, 2021 the practical expedient of applying the new standard for new contracts as of that date, choosing not to restate comparative information for the year 2020.

The Company has reviewed the internal revenue recognition policies for the different types of contracts with customers, identifying the performance obligations, the determination of the schedule for the satisfaction of these obligations, the transaction price and its allocation, in order to identify possible differences with the revenue recognition model of the new standard, without finding significant differences between the two or compliance obligations that would give rise to the recognition of liabilities for contracts with customers.

**Almirall, S.A.**  
Notes to the annual accounts for 2021  
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**c. Fair information**

The accompanying financial statements have been obtained from the Company's accounting records and are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, the accounting principles and criteria contained therein, so as to present fairly the Company's net worth, financial position, results of operations, changes in shareholders' equity and cash flows for the year.

**d. Non-mandatory accounting principles applied**

No non-mandatory accounting principles have been applied. The Company's Directors have prepared these annual accounts taking into account all applicable mandatory accounting principles and standards that have a significant effect on the same. All mandatory principles have been applied.

**e. Critical measurement issues and estimates of uncertainty**

When preparing these annual accounts, estimates made by the Company's Directors have been used in order to measure some assets, liabilities, income, expenses and commitments recognised in the accounts. These estimates basically relate to the following:

- The useful life of intangible assets and property, plant and equipment (Notes 4a and 4b).
- The evaluation of possible impairment losses on certain items of property, plant and equipment and intangible assets as a result of not recovering the carrying amount of such assets (Note 4c).
- Assessment of the recoverability of deferred tax assets (Note 18).
- Evaluation of the technical and economic viability of the development projects in the pipeline that have been capitalised (Note 4a).
- The recoverable amount of interests held in Group companies and the fair value of certain listed and unlisted financial assets (Notes 4f and 4k)
- Estimate of the liability relating to the cash-settled share-based payment arrangements (Note 4r).

Although these estimates have been prepared based on the best information available at year-end December 31, 2021, events may take place in the future that make it necessary to revise them up or down in coming years. Such revision would in any event be carried out prospectively.

**f. Going concern principle**

The Company has a negative working capital as of December 31, 2021 for an amount of EUR 233,677 thousand (EUR 371,913 thousand negative in 2020). However, the Administrators have formulated these annual accounts under the principle of continuity business considering that there is the implicit commitment of the majority shareholders to continue providing the necessary support for the future development of the Company.

The Company carries out prudent management of liquidity risk, by maintaining sufficient cash and cash equivalents to have sufficient capacity to meet future obligations. In addition, the Company has loans with Group companies for an amount of EUR 419,605 thousand as of December 31, 2021 (EUR 366,111 thousand in 2020), as indicated in Note 20 of the annual accounts, due to centralized management of the treasury, and which classifies short-term but not with an imminent enforceability. In addition, the Company has a non-disposed revolving credit facility with a limit of EUR 275 million (Note 15) (EUR 275 million as of December 31, 2020), and also the Group of which the Company is Parent has a positive Working Capital at this date and a good financial situation. All of the above suggests that despite the fact that the Company has a negative working capital as of December 31, 2021, the Company's Administrators ensure the functioning of the operating company based on expectations of the continuity of the results.

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**3. Distribution of results**

The proposed presentation of results included in the Company's annual accounts for the year ended December 31, 2021 and the proposed distribution of results for 2020 approved by the Shareholders at the General Meeting held on May 7, 2021 are as follows:

	Thousands of Euros	
	2021	2020
<b>Basis of distribution:</b>		
Profit for year	(56,833,925.29)	9,710,970.30
<b>Distribution:</b>		
To legal reserve	-	85,459.37
To voluntary reserves	-	9,626,510.93
To dividends	-	-
To prior years' losses	(56,833,925.29)	-
<b>Total</b>	<b>(56,833,926.29)</b>	<b>9,710,970.30</b>

The dividends paid by the Company in 2021 and 2020, which related to the dividends approved out of profit earned in the previous year, are as follows:

	2021			2020		
	% of nominal value	Euro per share	Amount in thousand euro	% of nominal value	Euro per share	Amount in thousand euro
Ordinary shares	158%	0.190	33,841	169%	0.203	35,435
<b>Total dividends paid</b>	<b>158%</b>	<b>0.190</b>	<b>33,841</b>	<b>169%</b>	<b>0.203</b>	<b>35,435</b>

When a dividend is approved, which may be settled in cash or through the issuance of bonus shares, at the investor's option, i.e. delivery of shares for a determined value, the Company recognizes the corresponding liability with a charge to reserves for the fair value of the free allocation rights delivered. If the investor chooses to subscribe for bonus shares, the Company recognizes the corresponding capital increase. If the investor chooses to receive the dividend, the Company derecognizes the liability with a credit to cash paid.

At the formulation date of these annual accounts, the Board of Directors of Almirall, S.A. has agreed to propose in the Shareholders' meeting the distribution of a dividend, charged against reserves for an amount of 34.2 million euros (equivalent to 0.19 euro per share). For the purpose of carrying out this dividend distribution, it is proposed to reuse the remuneration system for shareholders called "Scrip dividend", already implemented in 2020. In this way, its shareholders are offered an alternative that allows them to receive shares issued by the Company without limiting their possibility of receiving in cash an amount equivalent to the payment of the dividend (Note 27).

**4. Accounting policies**

**a. Intangible assets**

As a general rule, intangible assets are initially carried at acquisition price or production cost. They are subsequently measured at cost less accumulated amortisation and if appropriate, any impairment losses (Note 4-c). These assets are amortised over their useful lives.

**Almirall, S.A.**  
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Intangible assets with finite useful lives are amortized on the basis of their useful lives, applying criteria similar to those adopted for the amortization of property, plant and equipment, which are basically equivalent to the following depreciation rates (determined on the basis of the average years of estimated useful life of the various assets):

	Annual rate
Development expenses	10%
Industrial property rights	6%-10%
Computer software	18-33%

The Company recognises for accounting purposes any impairment loss on these assets using as a balancing entry the heading "impairment losses and profit/loss on disposal of fixed assets and investments in group companies". Recognition of impairment losses and the reversal of prior year impairment losses is made, where applicable, using methods similar to the ones used for property, plant and equipment (Note 4-c).

*Development costs-*

The Company recognises research expenditure as an expense in the income statement.

The expenses incurred as a result of the development of new projects are recognised as assets when all the following conditions are met or can be evidenced:

- I. It is technically possible to complete production of the drug so that it can be made available for use or for sale.
- II. There is an intention to finish developing the drugs in question for use or for sale.
- III. There is the capacity to use or sell the drug.
- IV. The asset will generate future economic benefits. There is evidence that there is a market for the drug which will result from the development or a market for its development. There is also evidence that its development will be useful to the Company if it is going to be used in house.
- V. Adequate technical, financial and other resources are available to complete development and use or sell the drug resulting from the development in progress.
- VI. The ability to measure reliably the payment attributable to the development until its completion.

The development of new drugs is subject to a high degree of uncertainty as a result of the protracted period of maturation thereof (usually several years) and of the technical results that are obtained during the various trial phases through which the development passes. Development may be abandoned at one of the various stages either because the product has failed to meet medical or regulatory standards or it does not meet the required profit thresholds. Therefore, the Company considers that there is no longer uncertainty when the developed product has been approved by the competent authorities in a reference market. From then on the Company can consider that the conditions for capitalising development expenditure have been met.

When the amount delivered in Exchange of an intangible asset includes a contingent component, it will be considered within the carrying amount the best estimation of the present value of the contingent payment, except in the case that it is linked with a future event which will increase the profit or the economic profitability that this asset will provide, related to facts or circumstance not existing in the acquisition date. Likewise, applying the same criteria as per property, plant and equipment, the contingent payments that are dependent on magnitudes linked with the development of the activity, such as sales or profit for the year, they will be accounted for as an expense on the income statement as the events occur.

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The capitalised development costs with a finite useful life which may be recognised as an asset are amortised from the product's regulatory approval on a straight-line basis over the period in which benefits are expected to be generated.

During 2021 development costs have been capitalized amounting to EUR 4.8 million related to a project related with a product currently being commercialized in different markets (Note 5). During 2022 development costs amounted to EUR 3.3 million.

*Intellectual property-*

Patents, trademarks and product production, sale and/or distribution licences are initially recognised at the cost of purchase (separate or through a business combination) and are amortised over the estimated useful lives of the related products (on a straight-line basis) up to a limit of the duration of the licensing agreements entered into with third parties. These periods do not usually exceed ten years.

The expenses incurred in development of intellectual property that is not economically feasible are recognised in full in the income statement in the year in which these circumstances become known.

*Computer software-*

The Company recognises the costs incurred in the acquisition and development of computer programs in this account. Computer software maintenance costs are recognised in the income statement in the year in which they are incurred.

Computer software may be contained in a tangible asset or have physical substance and therefore include both tangible and intangible elements. These assets will be recognised as property, plant and equipment if they constitute an integral part of the related tangible asset, which cannot operate without that specific software.

Computer software is amortised on a straight-line basis over a period of between three to six years from its entry into service.

*Merger goodwill-*

Goodwill arose as a result of the difference between the carrying amount of the shares of Prodesfarma, S.A. and the carrying amount of this company at the time it was merged by absorption with the Company, after having allocated any other latent gains arising from intangible assets, property, plant and equipment and financial assets. Goodwill was fully amortised at the date of transition to the current general chart of accounts.

**b. Property, plant and equipment**

Items acquired of property, plant and equipment are measured at cost restated in accordance with the applicable legislation, including Royal Decree-Law 7/1996, of 7 June (Note 7). Subsequently, cost is adjusted for accumulated depreciation and impairment losses, if any, as described in Note 4c.

Replacements or renewals of complete items that lead to a lengthening of the useful lives of the assets or to an increase in their economic capacity are recognised as an increase in property, plant and equipment, with the resulting de-recognition of the items replaced or renewed.

Periodic maintenance, upkeep and repair expenses are recognised in the income statement on an accrual basis as incurred.

Property, plant and equipment in the course of construction are transferred to property, plant and equipment in use at the end of the related development period.

The annual depreciation charge is recognised in the income statement and is basically based on the depreciation rates calculated over the years of estimated useful life. The land on which the buildings and other structures stand is considered to have an indefinite useful life and, therefore, it is not depreciated. Property, plant and equipment is generally depreciated on a straight-line basis over the estimated useful lives of the assets as follows:

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	Estimated useful life
Buildings	33-50
Plant and machinery	6-12
Other fixtures and tools	4-12
Furniture and laboratory equipment	6-10
Computer processing equipment:	4-6
Vehicles	5-6.25

The gain or loss arising on the disposal or de-recognition of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Environmental investments that include assets to be used on a lasting basis in the company's activities are classified under "property, plant and equipment". They are carried at acquisition cost and are depreciated on a straight-line basis over their estimated useful lives.

***c. Impairment of intangible assets and property, plant and equipment***

At the year-end, the Company reviews the amounts of its property, plant and equipment and intangible assets to determine whether there is any indication of impairment. If there is an indication of impairment, the recoverable amount of the asset is calculated in order to determine the extent of the impairment loss (if any). Where the asset itself does not generate cash flows that are independent from other assets, the Company calculates the recoverable amount of the cash-generating unit to which the asset belongs. Any intangible assets that have not been amortised are tested for impairment at least at the year-end and prior to year-end if there are indications of impairment.

The recoverable amount is determined as the higher of fair value less cost of sale and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. The value in use has been calculated applying cash flows and a discount rate after taxes (d.r.a.t.). As indicated below, the Group of which the Company is Parent assessed the discount rate and considered that it was reasonable. The fact of using those variables (discount rate and cash flows) before and after taxes does not imply a significant change in the result of the analysis.

The recoverable amount must be calculated individually for each asset, unless the asset does not generate cash inflows that are mostly independent from the ones of other assets of asset groups. In this case, the recoverable amount must be determined for the Cash Generating Unit (CGU) to which it belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated income statement.

Losses related to the impairment of the CGU, initially reduce, if applicable, the value of goodwill assigned to the CGU, and then the rest of assets of the said CGU, prorating based on the book value of each of the assets, with the limit for each of them being the higher of their fair value less costs of disposal, their value in use and zero.

Where an impairment loss subsequently reverses (a circumstance that is not permitted in the case of goodwill), the carrying amount of the asset (or, if applicable, the assets included in the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or, if applicable, assets included in the cash-generating unit) in prior years. Reversal of an impairment loss is recognised in the income statement immediately up to the above permitted limit.

In general, the methodology used by the Company for the impairment tests based on the value in use of the intangible assets affected by the cash generating units (CGUs) is based on the estimation of cash flow



**Almirall, S.A.**  
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projections based on approved financial budgets. by the Directorate covering a period of 5 years. Cash flows beyond the 5-year period are extrapolated using the standard growth rates indicated below.

The methodology used by the Company to carry out the impairment tests of development expenses (Note 5) that are not subject to amortization due to the non-commencement of commercialization by associated product are based on detailed financial projections ranging from 10 to 17 years (depending on the expected useful life of the asset) to which a probability of success of the project is applied and a residual income is estimated for the following years based on a growth rate based on the type and age of the products based on experience with these.

The financial projections for each of the cash or asset generating units consist of the estimation of the net cash flows after taxes, determined from the estimated sales and gross margins and other costs foreseen for said cash generating unit. The projections are based on reasonable and well-founded hypothesis.

The main assumptions used in the impairment tests in the years ended December 31, 2021 and 2020 were as follows:

CGU	Assets December 31, 2021 (thousand euros)	Assets December 31, 2020	Hypothesis 2021 (*)	Hypothesis 2020 (*)
		(thousand euros)		
Wynzora license	Intangible asset: 12,000	-	d,r,b,t,: 11.1% d,r,a,t,: 9.0% g,r,c,i,: (1%)	d,r,b,t,: 11.3% d,r,a,t,: 9.0% g,r,c,i,: n/a
Sun Pharma license	Intangible asset: 81,673	Intangible asset: 81,600	d,r,b,t,: 13.4% d,r,a,t,: 9.0% g,r,c,i,: (20%)	d,r,b,t,: 11.3% d,r,a,t,: 9.0% g,r,c,i,: n/a
AstraZeneca license	Intangible asset: 35,496	Intangible asset: 41,412	d,r,b,t,: 13.4% d,r,a,t,: 9.0% g,r,c,i,: (20%)	d,r,b,t,: 11.9% d,r,a,t,: 9.0% g,r,c,i,: (20%)
Athenex license	Intangible Asset in progress: 11,149	Intangible Asset in progress: 7,924	d,r,b,t,: 10.3% d,r,a,t,: 9% g,r,c,i,: (15%)	d,r,b,t,: 11.7% d,r,a,t,: 9% g,r,c,i,: (15%)
Dermira license	Intangible asset in progress: 98,406	Intangible asset in progress: 98,610	d,r,b,t,: 11.2% d,r,a,t,: 9 % g,r,c,i,: (15%)	d,r,b,t,: 12.1% d,r,a,t,: 9 % g,r,c,i,: (15%)

(\*) Discount rate before taxes (d.r.b.t.), Discount rate after taxes (d.r.a.t.) and Growth rate for continual income (g.r.c.i.).

Management calculates the budgeted gross margin based on past performance and how they expect the market will perform. The average gross margin for projected periods of these CGU's range between 53% and 91%.

The key variables in the impairment tests carried out by Almirall, S.A. relate mainly to the sales performance of each of the different drugs, both those marketed and those which are currently in the pipeline. For the latter, the outlook of the probability of success of the product in accordance with the results of the drug's various development phases is an additional key variable.

These variables are based on historical experience weighted by outside information available. Changes in assumptions are based on the evidence obtained by the Company on the basis of the performance of the indicators applied.

From the sensitivity analysis performed for each of the assets in the face of variations that are reasonably possible from the main key assumptions (increase / reduction of estimated net sales, probability of success and discount rate), no impact is derived. Due to the uncertainty generated by COVID-19, as of December 31, 2021, the Management has deemed it appropriate to increase the sensitivity in the low range of the sales estimate, expanding it to -15/20% instead of the usual -10% used since 2019 fiscal year.

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**d. Leases**

Leases in which Almirall, S.A. acts as the lessee are classified as operating leases when they meet the conditions of the General Chart of Accounts, i.e. when the ownership of the leased asset and substantially all the risks and rewards relating to the leased asset are allocable to the lessor, the related expense being recognised on an accruals basis in the income statement.

Operating lease payments are charged to the income statement on a straight-line basis over the lease period.

Leases of property, plant and equipment where the lessee holds substantially all the risks and rewards of ownership are classed as finance leases. Finance leases are capitalised at inception of the lease at the lower of fair value of the leased asset and the present value of the minimum lease payments.

Each lease payment is distributed between the liability and the financial charge. The corresponding lease obligations are included under long-term payables net of financial charges. The interest part of the financial charge is charged to the income statement over the term of the lease in order to obtain a consistent regular rate of interest on the debt repayable in each period. Property, plant and equipment acquired under finance leases are depreciated over the lower of their useful lives and the lease period.

The Company does not have any finance leases at December 31, 2021 and 2020.

**e. Cash and cash equivalents**

Cash deposited in the Company, demand deposits in financial institutions and financial investments convertible into cash (short-term highly liquid investments), with a maturity of no more than three months from the date of acquisition, which do not have any significant risk of change in value and which form part of the Company's normal cash management policy are classified as cash and cash equivalents.

For the purposes of the statement of cash flows the heading "Cash and Cash Equivalents" is considered to include the Company's cash and short-term bank deposits that can be readily liquidated at the Company's discretion without incurring any penalty. They are recognised under "Short-term financial investments" in the accompanying balance sheet. The carrying amount of these assets is close to their fair value.

**f. Financial instruments (excluding derivative financial instruments)**

*Recognition and classification of financial instruments:*

The Company classifies financial instruments upon initial recognition as a financial asset, financial liability or equity instrument, in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, financial liability or equity instrument.

The Company recognizes a financial instrument when it becomes an obligated party to the contract or legal transaction in accordance with the provisions thereof, either as the issuer or as the holder or acquirer thereof.

For valuation purposes, the Company classifies financial instruments into the following categories: financial assets and liabilities at fair value through profit or loss, separating those initially designated from those held for trading and those mandatorily measured at fair value through profit or loss; financial assets and liabilities measured at amortized cost; financial assets measured at fair value through equity, separating equity instruments designated as such from other financial assets; and financial assets measured at cost. The Company classifies financial assets at amortized cost and at fair value through equity, except for designated equity instruments, in accordance with the business model and the characteristics of the contractual cash flows. The Company classifies financial liabilities as measured at amortized cost, except those designated at fair value through profit or loss and those held for trading. Financial assets and liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument.

The Company classifies a financial asset or liability as held for trading if:

- It is originated, acquired or issued or assumed principally for the purpose of selling or repurchasing it in the short term;
- On initial recognition it forms part of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actions to obtain gains in the short term;

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- It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument; or
- It is an obligation that the Company in a short position has to deliver financial assets that have been lent to it.

The Company classifies a financial asset at amortized cost, even when it is admitted to trading, if it is held under a business model whose objective is to hold the investment to receive cash flows from the execution of the contract and the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding (UPPI).

The Company classifies a financial asset at fair value through equity if it is held within the framework of a business model whose objective is achieved by obtaining contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise, at specified dates, to cash flows that are UPPI. The Company has no financial assets in this category.

The business model is determined by the Company's key personnel and at a level that reflects the way in which they jointly manage groups of financial assets to achieve a specific business objective. The Company's business model represents how the Company manages its financial assets to generate cash flows.

The Company classifies the following financial assets at cost:

- (a) Investments in the equity of group, multi-group and associated companies.
- b) Investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or cannot be reliably estimated, and derivatives underlying these investments.
- c) Any other financial asset that initially should be classified in the fair value portfolio with changes in the profit and loss account when it is not possible to obtain a reliable estimate of its fair value.

*Financial assets and financial liabilities at fair value through profit or loss*

The Company recognizes financial assets and liabilities at fair value through profit or loss initially at fair value. Transaction costs directly attributable to the purchase or issue are recognized as an expense as incurred.

The fair value of a financial instrument at initial recognition is usually the transaction price, unless that price contains different elements of the instrument, in which case, the Company determines the fair value of the instrument. If the Company determines that the fair value of an instrument differs from the transaction price, it records the difference in profit or loss, to the extent that the value has been obtained by reference to a quoted price in an active market for an identical asset or liability or has been obtained from a valuation technique using only observable inputs. In all other cases, the Company recognizes the difference in profit or loss to the extent that it arises from a change in a factor that market participants would consider in determining the price of the asset or liability.

Subsequent to initial recognition, they are recognized at fair value, recording the changes in fair value in profit or loss. Changes in fair value include the interest and dividend component. The fair value is not reduced by transaction costs that may be incurred for its eventual sale or disposal by other means.

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value, plus or minus transaction costs incurred, and are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate is the discount rate that matches the carrying amount of a financial instrument with the estimated cash flows over the expected life of the instrument, based on its contractual conditions and for financial assets without considering future credit losses, except for those acquired or originated with incurred losses, for which the effective interest rate adjusted for credit risk, i.e. considering the credit losses incurred at the time of acquisition or origination, is used.

The effective interest rate is the discount rate that exactly matches the value of a financial instrument to all its estimated cash flows for all items over its remaining life. For fixed-rate financial instruments, the effective interest rate coincides with the contractual interest rate established at the time of acquisition plus, where applicable, any commissions which, by their nature, can be assimilated to an interest rate. In the case of variable interest rate financial instruments, the effective interest rate coincides with the rate of return in force for all concepts until the first review of the reference interest rate to take place.

This category includes the following financial assets:

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- Loans and receivables: financial assets arising from the sale of goods or the rendering of services in the Company's ordinary course of business, or those which, not having a commercial origin, are not equity instruments or derivatives, and whose collections are of fixed or determinable amount and are not traded in an active market.

- Debt securities with a fixed maturity date and receivables of a determinable amount, which are traded in an active market and for which the Company expresses its intention and ability to hold until the maturity date.

This category includes the following financial liabilities:

- Trade accounts payable: these are payment obligations for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payments are due within one year (or within the normal operating cycle, whichever is longer). Otherwise, they are presented as non-current liabilities.

- Financial debts: Loans at subsidized or zero interest rates are forms of government assistance. These loans are recorded at the fair value of the financing received; differences arising between this value and the nominal value of the financing received are treated as described in Note 4i.

Fees paid for obtaining credit facilities are recognized as debt transaction costs provided that it is probable that part or all of the facility will be drawn down. In this case, the fees are deferred until the drawdown occurs. To the extent that it is not probable that all or part of the line of credit will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period to which the availability of the credit facility relates.

*Financial assets and liabilities measured at cost*

Investments in equity instruments whose fair value cannot be reliably estimated and derivative instruments that are linked to them and that must be settled by delivery of such unquoted equity instruments are measured at cost. However, if a reliable valuation of the financial asset or liability is available to the Company at any time on an ongoing basis, they are recognized at fair value at that time, recording gains or losses based on their classification.

*Investments in group, associated and multi-group companies*

Group companies are considered to be those over which the Company, directly or indirectly, through subsidiaries, exercises control, as provided for in article 42 of the Commercial Code, or when the companies are controlled by any means by one or more individuals or legal entities acting jointly or under single management by agreements or clauses in the bylaws.

Control is the power to direct the financial and operating policies of a company in order to obtain benefits from its activities, considering for these purposes the potential voting rights exercisable or convertible at the end of the accounting period held by the Company or third parties.

Associated companies are those over which the Company, directly or indirectly through subsidiaries, exercises significant influence. Significant influence is the power to intervene in the financial and operating policy decisions of a company, without the existence of control or joint control over it. In assessing the existence of significant influence, the potential voting rights exercisable or convertible at the closing date of each year are considered, also considering the potential voting rights held by the Company or by another company.

Multigroup companies are considered to be those that are jointly managed by the Company or one or more of the companies of the group, including the controlling entities or individuals, and one or more third parties outside the group.

Investments in Group companies, associates and jointly controlled entities are initially recognized at cost, which is equivalent to the fair value of the consideration given, including transaction costs incurred for investments in associates and jointly controlled entities, and are subsequently measured at cost, less the accumulated amount of impairment losses.

Impairment is calculated by comparing the carrying amount of the investment with its recoverable amount, understood as the higher of the present value of future cash flows from the investment and the fair value less costs to sell. Unless there is better evidence of the recoverable amount, the equity of the investee is taken into consideration, adjusted by the unrealized gains existing at the valuation date (including goodwill, if any). In this regard, the present value of future cash flows from the investment is calculated on the basis of the Company's share of the present value of the estimated cash flows from ordinary activities and from the final

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disposal or the estimated cash flows expected to be received from the distribution of dividends and from the final disposal of the investment.

At least at year-end the Company performs an impairment test for these financial assets. Objective evidence of impairment is considered to exist if the recoverable amount of the financial asset is less than its carrying amount. When this occurs, the impairment is recorded in the income statement.

In subsequent years, reversals of impairment are recognized to the extent that there is an increase in the recoverable amount, up to the limit of the carrying amount that the investment would have had if no impairment had been recognized.

*Impairment of financial assets*

A financial asset or group of financial assets is impaired and an impairment loss has been incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that event or events causing the loss have an impact on the estimated future cash flows of the asset or group of financial assets that can be reliably estimated.

The Company follows the criterion of recording the appropriate valuation adjustments for impairment of financial assets at amortized cost, when there has been a reduction or delay in the estimated future cash flows, caused by the debtor's insolvency.

Likewise, in the case of equity instruments, impairment exists when there is a lack of recoverability of the carrying value of the asset due to a prolonged or significant decrease in its fair value.

*Impairment of financial assets carried at amortized cost*

The amount of the impairment loss on financial assets measured at amortized cost is the difference between the carrying amount of the financial asset and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the asset's original effective interest rate. For variable interest rate financial assets, the effective interest rate corresponding to the valuation date according to the contractual conditions is used. However, the Company uses their market value, provided that it is sufficiently reliable to be considered representative of the value that could be recovered.

The impairment loss is recognized in profit or loss and is reversible in subsequent years if the impairment can be objectively related to an event occurring after its recognition. However, the reversal of the loss is limited to the amortized cost that the assets would have had if the impairment loss had not been recognized.

The Company directly reduces the carrying amount of a financial asset when it has no reasonable expectation of total or partial recovery.

The valuation adjustment for impairment of trade receivables involves a high degree of management judgment and review of individual balances based on the credit quality of customers, current market trends and historical analysis of insolvencies at an aggregate level. To determine the country-specific component of the individual allowance, the country's credit rating, determined on the basis of information provided by external agencies, is considered. In relation to the allowance derived from the aggregate analysis of the historical experience of bad debts, a reduction in the volume of balances implies a reduction in the allowances and vice versa. However, the Company does not recognize valuation adjustments for impairment for balances with Public Administrations, financial institutions and those balances secured by effective guarantees.

*Classification of financial assets and liabilities as current and non-current*

In the accompanying balance sheet, financial assets and liabilities are classified according to their maturities, i.e. as current those maturing in twelve months or less from the balance sheet date and as non-current those maturing in more than twelve months.

Loans maturing in the short term, but whose long-term refinancing is secured at the Company's discretion through long-term credit facilities, are classified as non-current liabilities.

*Offsetting principle*

A financial asset and a financial liability are offset only when the Company has the enforceable right to set off the recognized amounts and intends to settle the net amount or to realize the asset and settle the liability simultaneously.

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**g. Derivative financial instruments and hedge accounting**

The Company's activities expose it mainly to foreign currency risk on the marketing of products through licensees in countries with a currency other than the Euro, and interest rate risk on the borrowings arranged by the Company with banks.

The Company initially documents the relationship between the hedging instruments and hedged items and its risk management objectives and strategy for arranging various hedging transactions. The Company also documents their initial and subsequent assessments as to whether the derivatives used in the hedges are highly effective for offsetting the changes in the fair value or cash flows of the hedged items.

Derivatives are initially recognized at fair value on the date the derivative contract is signed and are subsequently remeasured at fair value at each balance sheet date. The accounting for subsequent changes in fair value depends on whether the derivative has been designated as a hedging instrument and, if so, the nature of the item it is hedging. In the past, the Company has entered into derivatives in the following cases:

- Hedges of changes in estimated cash flows arising from financial assets and liabilities, commitments and highly probable forecast transactions that an entity expects to undertake ("cash flow hedges"), such as foreign exchange forwards to meet relevant foreign currency payments.
- Cash flow hedges that qualify for hedge accounting, such as collars to hedge interest rate fluctuations.

When option contracts are used to hedge forecasted transactions, the Company designates only the intrinsic value of the option contract as the hedging instrument.

The entire fair value of a derivative is classified as a non-current asset or liability if the maturity of the remaining hedged item is greater than 12 months, and as a current asset or liability if the maturity of the remaining hedged item is less than 12 months.

The Company held no derivatives at December 31, 2021 and 2020 that can be considered as hedging instruments.

*Derivatives that do not qualify for hedge accounting*

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognized immediately in income and are included in financial income and expenses (Change in fair value of financial instruments).

Note 15 describes the derivative financial instruments existing at December 31, 2021 and 2020.

**h. Inventories**

Inventories are stated at the lower of acquisition or production cost and net realisable value. Production cost comprises direct materials and, where applicable, direct labour costs and production overheads, including the costs that have been incurred in bringing the inventories to their present location and condition at the point of sale.

Trade discounts, rebates and other similar items are deducted in determining the acquisition cost.

Cost is calculated using the weighted average cost method. The net realisable value is an estimate of the selling price less all estimated costs to completion and the costs incurred in the marketing, sales and distribution processes.

The Company carries out an evaluation of the net realisable value of inventories at the year-end and establishes the pertinent loss provision when they are overstated. When the circumstances that previously caused the decline in value no longer exist or when there is clear evidence of an increase in net realisable value due to a change in economic circumstances, the valuation adjustment is reversed.

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**i. Grants, donations and bequests**

The Company accounts for grants, donations and bequests received as follows:

- Non-repayable capital grants, donations and bequests: these are measured at the fair value of the amount or asset granted, depending on whether or not they are monetary in nature. They are initially recognised in equity and are subsequently released to the income statement in proportion to the depreciation charged during the period on the asset for which the grant is awarded or, if applicable, when the asset is sold or adjusted for impairment, except where they are received from shareholders or owners, in which case they are taken directly to equity without recognising any income.
- Repayable grants: while they are considered to be repayable, they are recognised as liabilities.
- Operating grants: operating grants are credited to the income statement when they are extended unless they are used to finance the operating shortfall in future years in which case they are allocated to those years. If they are granted to finance specific expenditure, they are released to income as the expenses financed accrue.

**j. Provisions and contingencies**

When preparing the annual accounts, the Company's directors distinguish between:

- Provisions: creditor balances that cover present obligations deriving from past events, the settlement of which is likely to trigger an outflow of funds the amount or timing of which cannot be determined, and
- Contingent liabilities: possible obligations resulting from past events, the crystallisation of which is contingent upon the occurrence or otherwise of one or more future events that are beyond the Company's control.

The annual accounts reflect all significant provisions where the probability of the obligation having to be met is greater than the probability of its not having to be met. Contingent liabilities are not recognised in the annual accounts but are disclosed in Note 17, unless they are classed as remote.

Provisions are carried at the fair value of the best estimate possible of the amount necessary to settle or transfer the obligation, taking into account the information available on the event and its consequences. Any adjustments arising on the restatement of such provisions are reflected as a finance expense as it accrues.

The consideration receivable from a third party when the obligation is settled is recognised as an asset, provided there are no doubts that the consideration will be received, except in the event that there is a legal relationship through which a part of the risk has been transferred out as a result of which the Company is not liable. In this case, the consideration will be taken into account to estimate the amount of the relevant provision.

*On-going litigation and/or claims -*

The Company's business activities take place in a highly regulated industry (healthcare legislation, intellectual property, etc.), exposing it to potential lawsuits as a result.

The claims and lawsuits to which the Company is subject are, in general, complex and, therefore, they are subject to a high degree of uncertainty, both in relation to an outcome detrimental to the Company's interests and to the estimated future disbursements that the Company might have to make. Consequently, it is necessary to use judgements and estimates with the assistance of the relevant legal advisers.

At year-end 2021 and 2020, a number of legal proceedings and claims had been initiated against the Company in the ordinary course of its business. The Company's legal advisers and directors consider that the provisions recognised are sufficient and that the outcome of litigation and claims will not have a material effect on the annual accounts for the years in which they are settled.

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*Provisions for product returns-*

The provisions for product returns are recognised at the date of sale of the related products to cover losses for returns that will be made in the future, based on the directors' best estimate of the expenditure required to settle the Company's liability. This estimate is made on the basis of the Company's historical experience of product returns in previous years.

Since a very significant portion of these returns will be made in more than twelve months, they are classified as non-current items.

*Provision for restructuring-*

The Company recognises the restructuring costs when it has detailed plans to begin restructuring which extend to the following at least: the business activities involved, the main locations affected, the functions and approximate number of the employees who will receive an indemnity following the discontinuance of their services, the payments to be carried out, the possible dates on which the detailed plans will be implemented and a valid expectation has been created among those affected, either because the plans have been started up or they have been informed of their main characteristics.

**k. Income and expense**

Income from contracts with customers should be recognized based on the fulfillment of performance obligations to customers.

Ordinary income represents the transfer of committed goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.

Five steps are established for revenue recognition:

1. Identify the customer contract(s).
2. Identify performance obligations.
3. Determine the transaction price.
4. Allocate the transaction price to the various performance obligations.
5. Revenue recognition according to the fulfillment of each obligation.

Based on this recognition model, sales of goods are recognized when the products have been delivered to the customer and the customer has accepted them, even though they have not been invoiced, or, if applicable, the services have been rendered and the collectibility of the related receivables is reasonably assured.

Expenses are recognized on an accrual basis, immediately in the case of expenditures that will not generate future economic benefits or when they do not qualify for recognition as an asset.

Sales are valued net of taxes and discounts.

Income from the rendering of services is recognized by reference to the stage of completion of the transaction at the balance sheet date, provided that the outcome of the transaction can be estimated reliably.

The Company classifies dividends and interest earned in its capacity as parent company as net sales as the Company has different activities. In other words, it is understood that the income produced by the Company's different activities will be considered in the computation of ordinary activities, to the extent that they are obtained on a regular and periodic basis and derive from the economic cycle of production, marketing or provision of services of the Company. Provisions for impairment of investments in group companies and loans with group companies are also classified as ordinary activities.



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Interest received from financial assets is recognized using the effective interest rate method and dividends are recognized when the shareholder's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the time of acquisition are recognized as income in the income statement.

*Registration of licensing, co-development, co-promotion and other similar operations.*

The Company is a licensor of various intellectual property patents. Revenue from licenses is recognized depending on whether they provide a right of access or a right of use to licensees. Licenses that provide a right of access to intellectual property are recognized as revenue over the term of the right of access. Licenses that grant a right to use intellectual property are recognized as revenue when the right is granted to the customer. However, the Company does not recognize revenue prior to the beginning of the period during which the customer has the ability to use and benefit from the license.

Intellectual property license revenue based on the volume of revenue earned by the customer is recognized at the time subsequent to the accrual of the revenue and the performance of the obligation to which the revenue-based royalty has been allocated.

The Company records revenues from product licensing, co-development, co-promotion and other similar transactions based on the economic nature of the related contracts. These agreements generally include multiple elements and the revenues associated with them must be correlated with the costs and consideration to be paid by the Company. When evaluating the accounting treatment of these transactions, the Company's directors consider the following aspects:

- The economic substance of the transaction.
- The nature of the items forming the subject matter of the transaction (disbursements, asset swaps, etc.).
- Measurement and allocation on the basis of the fair value of each of the items relating to the consideration.
- Transfer of the significant risks and rewards arising from ownership of the goods and assumption of future obligations.

As a general rule, if the consideration received is non-refundable, relates to compensation for costs incurred prior to the execution of the agreement or there are no significant future obligations assumed by the Company under non-market conditions and substantially all the risks and rewards of ownership of the asset are transferred, the transaction is considered to be revenue for the year in which the agreement is executed. If these circumstances do not arise, the collection is recognised as deferred income within the period over which the obligations established remain effective or the remaining useful life of the product or the applicable period based on the circumstances of the particular agreement established.

The consideration tied to the fulfilment of certain technical or regulatory requirements (milestones) under the framework of cooperation agreements with third parties, is recognised as revenue applying the same rules as those detailed in the method for revenue recognition in the case of the initial consideration described above.

The aforementioned consideration is recognised when it is taken to profit or loss under "Other operating income" in the accompanying income statement.

A portion of the revenue generated by the Company is obtained through the transfer of rights, the transfer to third parties of the use of product licences developed by the Company and third-party access to products under development. The agreements upon which these licensing or access arrangements are based are usually of a complex nature and include concepts such as:

- Non-refundable initial amounts.
- Receipts on attainment of certain milestones (development, business, etc.).
- Royalties.
- Calculation of the future price of supplies of the product in question between the parties.

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A detailed analysis is required of each component of the agreements and of the agreements as a whole in order to accurately calculate how much of each item to recognise in profit or loss.

As a result of the operation with AstraZeneca UK Limited on November 2014, the Company entered into an agreement with AstraZeneca UK Limited. Under the agreement it transferred the rights to part of its respiratory franchise, which included various components, and in exchange received some cash payments and other deferred payments based on certain future milestones. This operation has had the following effects in these annual accounts:

1) Sale of Eklira (aclidinium) and Duaklir (aclidinium and formoterol combination): recorded in 2014 as a business sale (transfer of assets or rights, etc. together with the employees, which would form a business unit and not have any significant future commitments or obligations for Almirall). This operation was recognised at the fair value of the agreed considerations (the portion of the initial payment allocated plus the corresponding fair value of the potential future payments from milestones, sales and royalties), derecognising the existing assets from the consolidated balance sheet for the purpose of the business. The profit (loss) of the business was recognised under "Other Income" in the income statement for 2014.

As a result of this operation, a financial asset was generated, valued at fair value at year end with changes to the results, and formed by the following components of future collection established in the sale agreement in relation to the future development of the sales activity of the Eklira business unit:

- "Milestones events: milestones related to the first launches and achievement of reference prices in certain countries with different probabilities of achievement.
- "Sales-related payments": events related to reaching a certain level of sales. As of December 31, 2021 there is no amount pending.
- "Potential payments": events related to the payment of royalties, which is linked to the sales obtained in each future year. Sales revenue is related to the sales variable based on sales reported by AstraZeneca at the end of the corresponding annual accounts.

The fair value of this transaction was calculated by independent experts Ernst & Young. The fair value was calculated on the basis of discounted cash flows adjusted for the probable success of certain risks associated at different stages of the products. The discounted cash flow method estimates the future cash flows of the asset (translated from USD to euros at the exchange rate based on the range agreed in the agreement) and the cash flows during the estimated marketing period, taking into account the maturity of the patent, adjusted for estimated probability of success. These probabilised cash flows are discounted at a rate which reflects the current returns required by the market and the specific risks of the asset.

The main assumptions and considerations used by the independent experts to value the financial asset at December 31, 2021 are as follows:

- Estimated level of sales reached in a territory during a year.
- Discount rate: based on the country where the cash flows are obtained, giving an overall weighted average of approximately 10.4%.
- Probability of success allocated: it affects the valuations of the "milestones events" and "sales-related payments".

For the purpose of sensitivity analyses of variations considered reasonably possible with respect to the independent expert's appraisal made at December 31, 2021, the following should be taken into account:

- If the estimation of sales revenue for 2020 to 2035 is reduced/increased by 5% every year, the effect would be a reduction/increase of the financial asset by EUR (2.9)/2.9 million, respectively.
- If the discount rate used is reduced/increased by one percentage point, the effect would be an increase/reduction of the financial asset by EUR 2.3/(2.3) million, respectively.

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- If the probabilities assigned to “milestone events” are reduced/increased by five percentage points, the effect would be a reduction/increase of the financial asset by EUR (2.4)/2.2 million, respectively.

2) Sales of licences for development and the subsequent marketing: of the components in the sales agreements which transferred certain rights for development and subsequent marketing, in which there is significant ongoing involvement over the development period by Almirall, the initial payment assigned to this component (“upfront payment”) is recognised on a straight-line basis in the consolidated income statement over the expected development period (expected until 2021) (see deferred income in Note 13), recognising, in addition, the income of future milestones in the development stage as they are achieved (which is the date from which they are expected to be collected). Once the product in question has been launched, the revenue recognition will be based on the future royalties, based on the real sales achieved.

***l. Foreign Currency Transactions***

The Company’s functional currency is the euro. Transactions in currencies other than the euro are thus deemed to be denominated in foreign currency and are carried at the exchange rates prevailing on the transaction dates.

At the year-end monetary assets and liabilities denominated in foreign currency are translated to euro at the exchange rate on the balance sheet date. Gains or losses are taken directly to the income statement in the period in which they arise.

***m. Related-party transactions***

The Company carries out all its operations with related parties at market values (Note 20). In addition, transfer prices are adequately supported and therefore the Company’s Directors consider that there are no significant risks arising from this issue that could give rise to material liabilities in the future.

***n. Borrowing costs***

General and specific borrowing costs which are directly attributable to the acquisition, construction or production of qualifying assets, which are those assets that necessarily require a substantial period of time before they are ready for forecast use or sale, are added to the cost of such assets until the assets are substantially ready for their intended use or sale.

Financial income obtained on the temporary investment of specific loans is deducted from borrowing costs eligible for capitalisation until it is used in the qualifying assets.

Other borrowing costs are expensed currently in the income statement.

***o. Corporate income tax***

Corporate income tax expense or income is made up of current tax expense or income and deferred tax expense or income. Almirall, S.A. files consolidated tax returns as provided for in Title VII, Chapter VI of Law 27/2014 of November 27, regarding Corporate Income Tax. The companies composing the tax group for 2021 and 2020 are: Almirall, S.A., Laboratorios Almirall, S.L., Industrias Farmacéuticas Almirall, S.A., Laboratorios Tecnobío, S.A., Ranke Química, S.L. and Almirall Europa Derma, S.A. being the first of them the head of the tax group.

The current tax is the amount paid by the Company as a result of the corporate income tax assessments for the year, Tax credits and other tax breaks, excluding tax withholdings and payments on account, and available tax loss carry-forwards offset in the current year reduce the current income tax expense.

Deferred tax expense or income relates to the recognition and cancellation of deferred tax assets and liabilities in accordance with the liability method. They include temporary differences identified as those amounts expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and available tax losses and tax credits. Such amounts are reflected by applying to the relevant temporary difference or credit the tax rate at which they are expected to be recovered or settled.

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Deferred tax liabilities are recognised for all temporary taxable differences, barring those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that does not affect either taxable income or the reported result and is not a business combination. Deferred tax assets are only recognised insofar as it is considered probable that the tax Group parented by the Company or the individual companies will have future taxable income to offset the temporary differences.

Deferred tax assets and liabilities, resulting from transactions charged or credited to equity accounts, are also accounted for with a balancing entry in equity.

In calculating its deferred tax assets whose recoverability is reasonably assured, the Company establishes a time limit for their compensation based on best estimates. In addition, on the basis of estimates of the taxable profit of each of the companies, the Company has determined the expected period over which the deferred tax assets will be realised, also taking into account the timing of deduction of the tax credit and tax loss carry forwards by the legally established deadlines. However, as the likelihood of recovery of these deferred tax assets, the Company has considered a period of up to 10 years and therefore, in recognising the asset, it has not taken into account those tax credits which, on the basis of estimates of future taxable profit, need a longer period of time, even if it is permitted under tax legislation, considering that it will not be a likely case of recovery within the 10-year period.

**p. Severance indemnities**

In accordance with current legislation, the Company is required to pay severance to employees who, under certain conditions, are terminated. Accordingly, termination benefits that can be reasonably quantified are expensed in the year in which the related decision is taken and valid dismissal expectations are created vis-à-vis third parties.

**q. Environmental disclosures**

Environmental assets are considered to be assets used on a continual basis in the transactions of the Company whose main purpose is to minimise the environmental effects and to protect and enhance the environment, including the reduction or elimination of any future pollution.

These assets, like any other tangible assets, are measured at acquisition or production cost restated in accordance with the applicable legislation, including Royal Decree-Law 7/1996, of 7 June.

The Company depreciates these items on a straight-line basis over the remaining years of their estimated useful life.

Additionally, the Company incurred certain expenses related to activities to protect the environment, as explained in Note 23.

**r. Share-based payment plans**

On February 14, 2008, the Company's Board of Directors approved, for certain executives, a long-term variable remuneration plan tied to the Company's share price or Stock Equivalent Units Plan ("the SEUS Plan") which was approved by the shareholders at the Annual General Meeting on May 9, 2008.

Under the Plan, the Company undertakes to grant the executives long-term variable remuneration, settled in cash, tied to the price of the Company's shares, provided that certain requirements and conditions are met. The liability recognised in the accompanying balance sheet at December 31, 2021 and 2020 is detailed in Note 14.

**s. Equity**

Share capital consists of ordinary shares.

The costs of issuing new shares or options are recognised directly in equity as a reduction in reserves.

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If the Company acquires treasury shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until the shares are redeemed, reissued or sold. When these shares are sold or subsequently reissued, any amount received, net of any incremental directly attributable transaction costs, included in equity.

**5. Intangible assets**

The movements in this heading on the balance sheet in 2021 and 2020 are as follows:

	2020	Additions	Disposals	Transfers	2021
Industrial Property	411,794	22,581	(59,598)	1	374,778
Development expenses <sup>(1)</sup>	3,315	4,827	-	-	8,142
Merger goodwill	101,167	-	-	-	101,167
Computer software	94,285	3,265	(16,063)	1,525	83,012
Intangible assets in progress	108,960	23,398	(7)	(1,526)	130,825
<b>Total cost Intangible Assets</b>	<b>719,521</b>	<b>54,071</b>	<b>(75,668)</b>	<b>-</b>	<b>697,924</b>
A. Dep. Industrial Property	(220,087)	(14,889)	13,706	-	(221,270)
A. Dep. Development expenses	-	-	-	-	-
A. Dep. Merger goodwill	(101,167)	-	-	-	(101,167)
A. Dep. Computer software	(78,784)	(5,969)	12,532	-	(72,221)
<b>Total A. Depreciation</b>	<b>(400,038)</b>	<b>(20,858)</b>	<b>26,238</b>	<b>-</b>	<b>(394,658)</b>
Impairment Ind. Property	(56,500)	-	45,000	-	(11,500)
Impairment Comp. Software	(5,070)	-	3,475	-	(1,595)
<b>Total Impairment losses</b>	<b>(61,570)</b>	<b>-</b>	<b>48,475</b>	<b>-</b>	<b>(13,095)</b>
<b>Net value Int. Assets</b>	<b>257,913</b>	<b>33,213</b>	<b>(955)</b>	<b>-</b>	<b>290,172</b>

<sup>1</sup> Additions to the heading Development expenses include €4,827 thousand of internally generated expenses in the fiscal year ending on 31 December 2021.

Miles de euros	2020	Additions	Disposals	Transfers	2021
Industrial Property	413,338	1,080	(4,443)	1,819	411,794
Development expenses <sup>(1)</sup>	-	3,315	-	-	3,315
Merger goodwill	101,167	-	-	-	101,167
Computer software	84,804	4,219	(43)	5,305	94,285
Intangible assets in progress	99,926	16,158	-	(7,124)	108,960
<b>Total coste Inmovilizado Intangible</b>	<b>699,235</b>	<b>24,772</b>	<b>(4,486)</b>	<b>-</b>	<b>719,521</b>
A. Dep. Industrial Property	(207,037)	(16,895)	3,845	-	(220,087)
A. Dep. Development expenses	-	-	-	-	-
A. Dep. Merger goodwill	(101,167)	-	-	-	(101,167)
A. Dep. Computer software	(73,350)	(5,476)	42	-	(78,784)
<b>Total A. Depreciation</b>	<b>(381,554)</b>	<b>(22,371)</b>	<b>3,887</b>	<b>-</b>	<b>(400,038)</b>
Impairment Ind. Property	(56,741)	-	241	-	(56,500)
Impairment Comp. Software	(5,070)	-	-	-	(5,070)
<b>Total Impairment losses</b>	<b>(61,811)</b>	<b>-</b>	<b>241</b>	<b>-</b>	<b>(61,570)</b>
<b>Net value Int. Assets</b>	<b>255,870</b>	<b>2,401</b>	<b>(358)</b>	<b>-</b>	<b>257,913</b>

<sup>1</sup> Additions to the heading Development expenses include €3,315 thousand of internally generated expenses in the fiscal year ending on 31 December 2020.

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All the intangible assets described in the table above have a finite useful life. No assets have been pledged to secure debts.

On 12 February 2019, the Group signed an option and licence agreement with Dermira whereby it acquired the option for exclusive licensing of the rights to develop and market Lebrikizumab for the treatment of atopic dermatitis and other indications in Europe. In 2019 and 2020, the Group made various payments under this agreement (as detailed later in this release) and will be obligated to make additional payments upon achievement of certain future milestones, up to a total of US\$85 million upon achievement of regulatory milestones and the first commercial sale of Lebrikizumab in Europe. In addition, the Group will be required to make payments upon reaching certain net sales thresholds for Lebrikizumab in Europe, as well as paying royalties on net sales at percentages from the low double digits to the low twenties range. In February 2019, the Group made a first payment of US\$30 million (about €27 million). On 25 June 2019, the Group decided to exercise its option, for which it paid US\$50 million (approximately €44 million) on 9 July 2019. Finally, in the last quarter of 2019, the Group paid US\$15 million (about €13 million), and in the first half of the year another US\$15 million (about €13 million) due to the achievement of certain milestones in Phase-III clinical studies.

On 11 December 2017, the Group signed an agreement with Athenex, whereby Athenex granted Almirall an exclusive licence to research, develop and commercialise in the United States of America and Europe, including Russia, a first-in-class topical treatment for actinic keratosis, which was in Phase-III development at that time. Athenex is entitled to receive milestone payments related to additional launches and indications of up to US\$70 million. In addition, the contract provides for payments for the achievement of sales milestones, estimated at up to US\$155 million. The agreement also provides for the payment of tiered royalties starting at 15% in accordance with annual net sales, which will increase in the event of greater sales. Almirall paid US\$30 million (€25.1 million) in 2018 for signing the agreement and US\$20 million (€17.3 million) in 2019 for meeting certain development milestones. In this context, regulatory approval for the United States was obtained from the FDA on 14 December 2020, while approval for the European Union was obtained from the EMA on 19 July 2021. This product was launched in the first quarter of 2021 in the United States, and in the fourth quarter in the first European markets (Germany and the United Kingdom), with the expectation that it will be launched in the rest of Europe in 2022. In 2021, milestones of US\$20 million and US\$5 million, respectively (equivalent to €16.5 million and €4.3 million), have been paid for the launch in the United States and Europe.

On 16 February 2021, the Group acquired the European marketing rights to Wyzora® cream for the treatment of plaque psoriasis from MC2 Therapeutics. Wyzora® cream (50 µg/g calcipotriol and 0.5 mg/g betamethasone dipropionate) received FDA approval in the USA on 20 July 2020. The product is currently under review in Europe. For this purpose, two Phase-3 trials have been submitted, including a head-to-head comparison study against the active ingredient Dovobet / Daivobet® Gel. Under the terms of this agreement, the Group has made an initial payment of €5 million in March 2021 and €7 million in September 2021 for regulatory approval of the product in Europe. An additional payment of €3 million is expected to be made in accordance with the achievement of certain product launch milestones, in addition to payments for sales milestone (up to a maximum of €229 million) and double-digit royalties on sales in Europe.

On 14 December 2021 Almirall and Ichnos Science announced the exclusive licence agreement for ISB 880, an IL-1RAP antagonist. Under the agreement, Almirall has acquired the global rights to develop and market this monoclonal antibody for autoimmune diseases. Ichnos will retain the rights to antibodies targeting the IL-1RAP pathway for oncological indications. Under the terms of the agreement, Almirall will assume full cost and responsibility for the development and global commercialisation of the compound for all autoimmune disease indications. The Group has recorded the initial up-front payment of €20.8 million in the balance sheet on 31 December 2021, the payment having been made on 19 January 2022. The contract also provides for additional payments for commercial and development milestones (up to a maximum of €225 million), sales milestones (up to a maximum of US\$400 million) and tiered royalties based on future global sales.

During fiscal 2021, additions in intangible assets amounted to €54.1 million and mainly correspond to:

- The aforementioned upfront payment of 20.8 million for the license agreement with Ichnos Science.
- As a consequence of the agreement with MC2 Therapeutics, the Company has made an upfront payment of €5 million in March 2021 and €7 million in September 2021 for the regulatory approval of the product in Europe.

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- In September 2021, the first sales milestone related to the licensing agreement with Sun Pharma was accrued in the amount of US\$7.5 million (€6.6 million).

- In connection with the license agreement signed with Athenex, in March 2021, following the commercial launch in Europe under the trade name Klisyri®, the Company paid \$5.0 million (€4.3 million).

- In the last quarter of fiscal 2020, a development project was initiated which meets the capitalization criteria mentioned in Note 4a. This project corresponds to a new formulation of a treatment for psoriasis which is already marketed in the European market. During the year 2021, another development project has been initiated that also meets the same criteria, and corresponds to the studies prior to the regulatory authorization in the EU of a drug for the treatment of actinic keratosis that is already marketed in the United States. The amount capitalized in fiscal 2021 for both projects amounts to 4.8 million euros.

The main additions to intangible assets during the financial year ending December 31, 2020 amounted to EUR 24.8 million and mainly corresponded to:

- As a result of the option and license agreement with Dermira, during the first half of 2020, the Company has paid 15 million dollars (about EUR 13 million) due to the fulfillment of a milestone related to phase III clinical studies.
- In the last quarter of fiscal year 2020, a development project was started that meet the capitalization criteria mentioned in note 4-a). This project correspond to a new formulation of a treatment for psoriasis that is already marketed in the European market. The total amount capitalized at December 31, 2020 amounts to EUR 3.3 million.

In fiscal years 2021 and 2020, there are no retirements with a significant net book value. Retirements correspond mainly to write-offs of fully amortized or impaired items.

Transfers of the fiscal years 2021 and 2020 correspond mainly to the go live of a new computer software for commercial activity management.

At December 31, 2021 and 2020, fully-amortised intangible assets in use amounted to approximately EUR 99.1 million and EUR 87.9 million (not including goodwill), respectively.

The aggregate amount of "Research and Development Expenses" which have been charged as expenses in the accompanying 2021 and 2020 income statements amounts to EUR 71.6 and 71.5 million, respectively. These amounts include both the amount of the depreciation of assets assigned to research and development activities and the expenses accrued by the Company's personnel and the expenses incurred by third parties.

As of December 31, 2021 and 2020, the Company has prepared the corresponding impairment test for the most significant intangible assets based on value in use calculations, as described in Note 4c, resulting in no need for impairment.

As of December 31, 2020, the amount of impairment of Industrial Property corresponded mainly to the total impairment of the development and commercialization rights of a product in the respiratory area for a total of 45 million euros, in view of the strategic decision taken in 2016 not to commercialize this product, the definitive derecognition of which was carried out in 2021.

Impairment losses are recorded under "Impairment and gains or losses on disposal of fixed assets" in the income statement (Note 19).

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**6. Property, plant and equipment**

The changes in 2021 and 2020 in "Property, plant and equipment" in the accompanying balance sheet and the most significant information affecting this heading were as follows:

	2020	Additions	Disposals	Transfers	2021
Land	6,215	-	-	-	6,215
Buildings	19,492	12	-	-	19,504
Plant and machinery	7,610	44	(54)	(22)	7,600
Fixtures, fittings, tooling and furnishings	118,458	2,547	(7,774)	344	113,575
Other fixed assets	17,487	427	(2,782)	255	15,387
Payments on account and assets in progress	1,254	2,410	-	(577)	3,065
<b>Total cost</b>	<b>170,516</b>	<b>5,440</b>	<b>(10,610)</b>	<b>-</b>	<b>165,346</b>
A. Dep. Land and buildings	(7,257)	(419)	-	-	(7,676)
A. Dep. Plant and machinery	(6,107)	(351)	54	-	(6,404)
A. Dep. Fixtures, fittings, tooling and furnishings	(107,549)	(2,749)	7,774	-	(102,524)
A. Dep. Other fixed assets	(15,924)	(722)	2,782	-	(13,864)
<b>Total A. Depreciation</b>	<b>(136,837)</b>	<b>(4,241)</b>	<b>10,610</b>	<b>-</b>	<b>(130,468)</b>
<b>Carring amount</b>	<b>33,679</b>	<b>1,199</b>	<b>-</b>	<b>-</b>	<b>34,878</b>

	2019	Additions	Disposals	Transfers	2020
Land	6,215	-	-	-	6,215
Buildings	19,492	-	-	-	19,492
Plant and machinery	7,443	153	(79)	93	7,610
Fixtures, fittings, tooling and furnishings	120,215	2,603	(5,176)	816	118,458
Other fixed assets	16,409	847	(44)	275	17,487
Payments on account and assets in progress	1,336	1,102	-	(1,184)	1,254
<b>Total cost</b>	<b>171,110</b>	<b>4,705</b>	<b>(5,299)</b>	<b>-</b>	<b>170,516</b>
A. Dep. Land and buildings	(6,838)	(419)	-	-	(7,257)
A. Dep. Plant and machinery	(5,498)	(688)	79	-	(6,107)
A. Dep. Fixtures, fittings, tooling and furnishings	(109,899)	(2,799)	5,149	-	(107,549)
A. Dep. Other fixed assets	(15,285)	(683)	44	-	(15,924)
<b>Total A. Depreciation</b>	<b>(137,520)</b>	<b>(4,589)</b>	<b>5,272</b>	<b>-</b>	<b>(136,837)</b>
<b>Carring amount</b>	<b>33,590</b>	<b>116</b>	<b>(27)</b>	<b>-</b>	<b>33,679</b>

Additions in 2021 and 2020 were due mainly to improvements at the production centres at chemical and pharmaceutical plants and at the Company's research and development facilities.



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Fixed assets under construction at the 2021 and 2020 year-ends and transfers in those years relate mainly to investments in the aforementioned research facilities.

There are no disposals with a significant net book value in fiscal years 2021 and 2020.

At December 31, 2021 and 2020 the Company does not have any impaired assets which are not in use.

Fully-depreciated property, plant and equipment at December 31, 2021 and 2020 amounted to approximately EUR 109 million and EUR 111 million, respectively.

The Company has a number of facilities held under operating leases (Note 7).

The Company has taken out insurance to cover possible risks affecting its property, plant and equipment and possible claims that could be brought in the ordinary course of business. The Company considers that the insurance policies provide adequate coverage for such risks.

The only commitments for the acquisition of assets are disclosed in Note 17.

There is no property, plant and equipment subject to guarantee.

## **7. Leases**

At year-end 2021 and 2020, the Company has the following minimum lease liabilities under agreements currently in effect, excluding service charges, inflation and future rent reviews stipulated in the lease:

	Thousand euro	
	2021	2020
Within one year	9,740	6,631
2 to 5 years	3,468	3,692
Over 5 years	-	-

Operating lease instalments recognised under expenses in 2021 and 2020 are as follows:

	Thousand euro	
	2021	2020
Operating leases recognised in the income statement for the year	14,171	13,115

The most significant leasing contracts correspond to real estate, transport elements and equipment for information processes. These mainly include the partial lease contract with the investee Industrias Farmacéuticas Almirall, S.A. for a property located in Sant Andreu de la Barca which the Company uses as a production center, as well as the lease contract for the Company's headquarters, which is leased to the related company Grupo Corporativo Landon, S.L. (Note 20). (Note 20).

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**8. Short and long-term investments in Group companies and associates**

The changes in 2021 and 2020 in "Property, plant and equipment" in the accompanying balance sheet and the most significant information affecting this heading were as follows:

	Thousand euro					
	Investments in Group companies	Impairment adjustments	Long-term loans to Group companies (Note 20)	Impairment adjustments	Total long-term	Short-term loans to group companies (Note 20)
<b>Balance at December 31, 2019</b>	<b>1,504,439</b>	<b>(105,611)</b>	<b>177,586</b>	-	<b>1,576,413</b>	<b>872</b>
Additions	-	(98,987)	-	-	(98,987)	-
Disposals	-	12,521	(15,008)	-	(2,487)	(608)
Transfers	-	-	-	-	-	-
<b>Balance at December 31, 2020</b>	<b>1,504,439</b>	<b>(192,077)</b>	<b>162,578</b>	-	<b>1,474,939</b>	<b>264</b>
Additions	-	(140,020)	15,451	-	(124,569)	1,922
Disposals	(967)	22,566	-	-	21,599	-
Transfers	186,227	-	(178,029)	-	8,198	-
<b>Balance at December 31, 2021</b>	<b>1,689,699</b>	<b>(309,531)</b>	-	-	<b>1,380,168</b>	<b>2,186</b>

*Investments in Group companies*

The transfers recorded under "Investments in Group companies" in 2021 correspond mainly to the capitalization of the loan granted to the investee company Almirall, Inc (USA) detailed in the following section of this Note in the amount of 178 million euros (199.5 million dollars) plus the corresponding interest accrued on November 24.

The detail and changes by entity in this caption in financial years 2021 and 2020 is as follows:

Company	Thousand Euros					
	2021		2020		Additions / (Disposals)	
	Cost	Impairment	Cost	Impairment	Cost	Impairment
Laboratorios Almirall S,L	4,112	-	4,112	-	-	-
Laboratorios Tecnobio, S,A	127	-	127	-	-	-
Ranke Química, S,A	10,840	-	10,840	-	-	-
Industrias Farmacéuticas Almirall S,A	41,982	-	41,982	-	-	-
Almirall, A,G	10,628	-	10,628	-	-	-
Almirall, N,V,	9	-	9	-	-	-
Almirall International, B,V	144,203	-	144,203	(22,566)	-	22,566
Almirall Aesthetics, S,A	261	(28)	261	(27)	-	(1)
Almirall Hermal, GmbH	359,270	-	359,270	-	-	-
Almirall, GmbH	1,485	-	1,485	-	-	-
Almirall, ApS	17	-	17	-	-	-
Almirall, Spa	-	-	967	-	(967)	-
Almirall Inc,	736,495	(309,503)	550,268	(169,484)	186,227	(140,019)
Poli Group Holding, SRL	380,270	-	380,270	-	-	-
<b>TOTAL</b>	<b>1,689,699</b>	<b>(309,531)</b>	<b>1,504,439</b>	<b>(192,077)</b>	<b>185,260</b>	<b>(117,454)</b>

The breakdown of information on Interests in group companies is included in the Appendix to these notes.

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The investments in Group companies and other relevant information at December 31, 2021 and 2020 is as follows:

	2021		2020
Name Address	Almirall Europa Derma, S.A. Spain (*)	Laboratorios Tecnobio, S.A. España	Almirall Europa Derma, S.A. Spain (*)
Activity	Dormant	Dormant	Dormant
% interest	100%	100%	100%
Carrying amount of interest (Group)			
Cost	261	127	261
Measurement adjustments	(28)	-	(27)

(\*) Previously denominated Almirall Aesthetics, S.A.

*Long term loans to Group companies -*

The balance of the heading "Long-term loans to group companies" corresponded at December 31, 2020 to the loan granted on December 13, 2018 to the investee Almirall Inc, in the amount of USD 250 million maturing on December 13, 2025, which accrued an annual interest rate of 7%. This contract had a long-term stable and permanent financing nature given that it was not estimated that it could be repaid. On November 24, 2020, it was agreed to capitalize the outstanding balance of EUR 178 million (EUR 199.5 million) and the corresponding interest accrued at that date, as indicated in the line of carryforwards. The additions for the year correspond solely to the effect of the year-end exchange rate restatement (EUR15.5 million) of this loan.

The year 2020 write-offs corresponded to the effect of the year-end exchange rate restatement (EUR 15 million).

*Impairment losses-*

The additions for the year under the heading "Impairment losses on investments in Group companies" correspond mainly to the valuation adjustment amounting to EUR 140 million on the investee Almirall, Inc. according to the update of the impairment test performed on the basis of the revised business plan on the American subsidiary Almirall LLC (a company wholly owned by Almirall Inc.). During the 2020 financial year, a valuation adjustment of EUR 98.9 million was recorded on the same holding, mainly due to the impact of COVID-19 and the negative impact of the exchange rate resulting from the evolution of the U.S. dollar. The slower than expected recovery of prescriptions in the U.S. dermatology market, aggravated by difficulties in accessing dermatologists, both for patients and medical representatives, led to the loss recorded in the current fiscal year. In particular, the main impacts on the re-estimation of future flows derive from:

- Face-to-face visits to doctors are severely restricted in the wake of the pandemic, and this restriction is expected to continue in the long term.
- Increased cost pressures from industry favoring the use of generics over branded products for acute therapies.
- Increased reimbursements required by pharmaceutical managers to maintain and gain access to formularies.
- Increased value of co-pay coupons and fees required to limit switching from branded to generic products.

Disposals in the year correspond to the reversal of impairment after valuation of the investment in Almirall International B.V., amounting to EUR 22.6 million. During the 2020 financial year, impairment of EUR 12.5 million was reversed in relation to the same shareholding.

In general, the methodology used by Almirall, S.A. for updating the impairment test is based on cash flow projections based on financial budgets approved by Management covering a period of 5 years. Cash flows beyond this 5-year period are extrapolated using the standard growth rates indicated below.

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The recoverable amount is determined as the higher of fair value less cost to sell and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The financial projections consist of an estimation of the net cash flows after taxes, calculated on the basis of an estimation of gross sales and margins and other costs projected for the cash-generating unit. The projections are based on reasonable and supported assumptions and markedly conservative criteria in order to reduce future exposure to possible additional impairment in this cash-generating unit, made up of the aforementioned subsidiary as a whole.

The main assumptions used in updating the impairment test are as follows:

Investment	Assumption 2021	Assumption 2020
Almirall, Inc	d.r.b.t.: 7% d.r.a.t.: 7% g.r.c.i.: (5)% - (15)%	d.r.b.t.: 7%-7.3% d.r.a.t.: 7% g.r.c.i.: (5)% - (15)%

Due to the uncertainty generated by Covid-19, as of December 31, 2021, the Management has deemed it appropriate to increase the sensitivity in the low range of the sales estimate, expanding it to 20% instead of the usual -10%. From the sensitivity analysis performed, it has been identified a maximum impact for the cash generating unit of the USA of -36 million euros.

Impairment losses are recognised under "Impairment and profit/(loss) on fixed asset disposals in group companies" in the accompanying income statements.

According to the estimates and projections available to the directors of the Company, except for the matter commented above, the projected results and discounted cash flows of the other cash-generating units adequately support the value of the rest of the investments recognised.

## **9. Long and short-term investments**

### ***Long-term investments***

The detail of the balance of this heading in the balance sheets at December 31, 2021 and 2020 and of the changes therein in the years then ended is as follows:

	Thousand euro			
	Long-term investment portfolio	Long-term loans and other financial assets	Deposits and guarantees given	Total long-term
<b>Balance at December 31, 2019</b>	<b>12</b>	<b>98,541</b>	<b>378</b>	<b>98,931</b>
Additions	-	5,013	-	5,013
Decreases	-	(114)	-	(114)
Transfers	-	(18,357)	-	(18,357)
<b>Balance at December 31, 2020</b>	<b>12</b>	<b>85,083</b>	<b>378</b>	<b>85,474</b>
Additions	-	6,934	272	7,206
Decreases	-	(33)	-	(33)
Transfers	-	(13,136)	-	(13,136)
<b>Balance at December 31, 2021</b>	<b>12</b>	<b>78,848</b>	<b>650</b>	<b>79,511</b>

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The heading "Long-term loans and other financial assets" includes mainly the financial asset corresponding to the fair value of the future long-term payments to be received by AstraZeneca as described in Note 4k to these financial statements, amounting to EUR 78,848 thousand (EUR 85,050 thousand at December 31, 2020). The movement in 2021 is due, on the one hand, to the recording of changes in the fair value of the asset, representing an increase of EUR 6,934 thousand in this asset (EUR 5,013 thousand in 2020) and, on the other hand, to the decrease resulting from the transfer to the short term, based on the expectations of the collection time horizon, of certain milestones receivable whose fair value at December 31, 2021 amounts to EUR 13,136 thousand (EUR 18,357 thousand in 2020).

The revaluation of this financial asset at December 31, 2021 has been updated using the same method as that used by the independent expert in the initial valuation, with a short-term amount of EUR 19.3 million (see details in the "Short-term investments" section of this note) and a long-term amount of EUR 78.8 million (EUR 20.2 million and EUR 85.0 million, respectively, at December 31, 2020). The change in value of this financial asset during the 2021 financial year was due to the change in the euro/US dollar exchange rate in the amount of EUR 4 million, the financial restatement which resulted in income in the amount of EUR 9.5 million, the change in the discount rate in the amount of EUR 1.4 million, as well as the re-estimation of expected flows and probabilities assigned to the various future milestones in the amount of EUR -8 million and, lastly, reduction of the asset for the collection of royalties in the amount of EUR 14 million. As a result, the total amount of EUR 6.9 million of change in fair value is recorded under "Other income" in the income statement for the corresponding year (EUR 5 million at December 31, 2020) (Note 19).

As indicated in Note 2-b, the proceeds from the sale made during that period to AstraZeneca, amounting to 52 million euros, which were previously classified as operating cash flows, have been reclassified as investment cash flows in the comparative year 2020.

Finally, in relation to this asset it should be noted that on October 29, 2021 AstraZeneca announced the agreement with Covis Pharma Group to transfer the global rights to Eklira (aclidinium bromide) and Duaklir (aclidinium bromide/formoterol). This agreement became effective on January 5, 2022 and has therefore been treated as a subsequent event with no impact on the 2021 financial year-end. Note 27 details the estimated impacts of this agreement in the year beginning January 1, 2022.

**Short-term financial investments**

The detail of this heading in the balance sheets at December 31, 2020 and 2019 is as follows:

	Thousand euro	
	2021	2020
Short-term credit	19,327	20,185
Short-term interest	-	4
Deposits and warrants	810	-
Deposits and warrants highly liquid	15	5,959
<b>Total</b>	<b>20,152</b>	<b>26,148</b>

For the purpose of preparing the cash flow statement, the Company considers cash equivalents all highly liquid short-term investments (Note 4-e) that are readily convertible into given amounts of cash and are subject to an insignificant risk of changes in value. Accordingly, when preparing the cash flow statement for the year all short-term investments were included as cash equivalents since short-term bank deposits can be liquidated immediately at the Company's discretion without incurring a penalty. In this regard, the preparation of the Statement of Cash Flows for the year includes cash equivalents of current financial investments, corresponding to bank deposits with short-term maturities, liquids can be made immediately at the discretion of the Company without penalty, which at December 31, 2021 is EUR 15 thousand (EUR 5,959 thousand at December 31, 2020).

There are no restrictions on the availability of such cash and equivalents.

The movement in fiscal year 2021 corresponds to the collections received by the Company as royalties and milestones and to the transfers explained in previous section. Mainly, on March 31, 2020 the Company collected 30 million American dollars (EUR 27.5 million at the date of collection), corresponding to the second part of the

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milestone amounting to 65 million dollars met on April 5, 2019, which first part was collected in April 2019 (35 million dollars, EUR 31.2 million at the date of collection).

The detail of current and non-current financial assets available for sale, held to maturity or at fair value through profit or loss is as follows:

	Thousand euro	
	2021	2020
Loans and receivables	-	31
Held-to-maturity financial assets	1,488	6,356
Financial assets at fair value through profit or loss	98,175	105,235
<b>Total</b>	<b>99,663</b>	<b>111,622</b>

The fair value of financial instruments is calculated on the basis of the following rules:

- Fixed income securities: where these are unlisted securities or mature within no more than six months, fair value is calculated on the basis of acquisition cost plus the related accrued interest, calculated using the internal rate of return.
- Other financial assets: The fair value of "Financial Assets at fair value through profit or loss" was calculated using the discounted cash flow method adjusted for the probability of success of certain risk at different stages of the products. The discounted cash flow method estimates the future cash flows of the asset (translated from dollars to euros at the exchange rate based on the range agreed in the agreement) and the cash flows during the estimated marketing period, taking into account the maturity of the patent adjusted for estimated probability of success. These probabilised cash flows are discounted at a rate which reflects the current returns required by the market and the specific risks of the asset (Note 6).

There are no significant differences between the carrying amount and fair value of such assets.

In addition, the bank accounts included in the Cash headings have not been mostly remunerated during the annual years ended December 31, 2021 and 2020.

#### **10. Inventories**

At December 31, 2021 and 2020 this heading breaks down as follows:

	Thousand euro	
	2021	2020
Goods purchased for resale	10,964	10,124
Raw materials and packaging	26,530	26,129
Work in progress	7,481	6,344
Finished products	26,043	36,374
Advanced payment to suppliers	61	7
Measurement adjustment (Note 19)	(3,503)	(3,170)
<b>Total</b>	<b>67,576</b>	<b>75,807</b>

The changes in the impairment allowance for Inventories are detailed in Note 19.

There were no commitments to purchase inventories involving significant amounts at December 31, 2021 and 2020.

No inventories have been pledged as security.

The Company has taken out a number of insurance policies to cover risks relating to inventories. The coverage provided by these policies is considered to be sufficient.

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**11. Trade and other receivables**

At December 31, 2021 and 2020 this heading breaks down as follows:

	Thousand euro	
	2021	2020
Trade receivables for sales and services rendered	29,430	22,405
Trade receivables, group companies and associates (Note 20)	41,463	50,879
Sundry accounts receivable	131	98
Personnel	48	129
Current tax assets and other receivables with the public administrations (Note 18)	23,118	46,292
Measurement adjustment (Note 19)	(459)	(725)
<b>Total</b>	<b>93,731</b>	<b>119,078</b>

The Company performs an individualized analysis of overdue customer balances to identify possible insolvency risks and, based on this analysis, makes an allowance for bad debts. The movement in the valuation adjustment for impairment losses on accounts receivable is included in Note 19.

As of December 31, 2021 and 2020, there are no guarantees on customer balances.

The balances receivable are recognised at their nominal value which is not significantly different from fair value.

The trade receivable balance in foreign currency amounts to EUR 5.7 million in 2020 (EUR 21.6 million at year-end 2020).

**12. Equity**

*Share capital*

At December 31, 2021 the parent company's share capital consists of 179,776,802 shares with a nominal value of 0.12 euros each, fully subscribed and paid up (178,115,627 shares at 0.12 euros nominal value as at December 31, 2020).

At June 11, 2021, 1,661,175 new shares of the Company, from the scrip dividend, were admitted to trading on the stock exchanges of Barcelona, Madrid, Bilbao and Valencia. These shares were representative of the holders of 64.4% of the free allocation rights that chose to receive new shares instead of cash. As a consequence, the share capital of the Company after the capital increase was increased by 199,341 euros, reaching December 31, 2021 to 21,573,216.36 euros (represented by 178,115,627 shares).

On October 12, 2020, 3,560,807 new shares of the Company were admitted to trading on the Barcelona, Madrid, Bilbao and Valencia stock exchanges. These shares were representative of the holders of 93.84% of the free allotment rights who opted to receive new shares instead of cash. As a result, the Company's share capital after the bonus share issue was increased by 427,296.84 euros, amounting to 21,373,875.24 euros at December 31, 2020, represented by 178,115,627 shares.

At December 31, 2021 and 2020, all the Company's shares were listed on the Spanish stock exchanges, there being no restrictions on their free transferability. Also, pre-emption rights and purchase and sale options have been granted to the Company's ultimate shareholders in respect of the shares of one of the shareholders in accordance with the agreement entered into on May 28, 2007.

The shareholders with significant direct or indirect ownership interests in the share capital of Almirall, S.A., of more than 3% of the share capital, of which the Company is aware, in accordance with the information contained in the official records of the Spanish National Securities Market Commission (CNMV) at 31 December 2021 and 2020, are as follows:

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Name of direct holder of the ownership interest	2021	2020
	% Interest	% Interest
Grupo Plafin, S.A.	40,9%	40,9%
Grupo Corporativo Landon S.L	18,8%	18,8%
Wellington Management	5,1%	-
Artisan Partners Asset Management, Inc.	3,6%	-
<b>Total</b>	<b>68,4%</b>	<b>59,7%</b>

At December 31, 2021 and 2020 the Company is unaware of other ownership interests of 3% or more in the Company's share capital or voting rights or of interests lower than the established percentage but that permit significant influence to be exercised.

*Legal Reserve*

The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase. Otherwise until it exceeds 20% of share capital and provided there are no sufficient available reserves. The legal reserve may only be used to offset losses.

The balance of this item at December 31, 2021 and 2020 amounted to EUR 4,275 and EUR 4,189 thousand respectively.

*Share premium*

The Spanish Companies Act expressly permits the share premium account balance to be used to increase capital and provides no specific limitation with respect to the availability of that balance.

In 2007, as a result of various transactions in the framework of the admission to listing of all the Company's shares on the Spanish stock exchanges, the share premium balance increased by EUR 105,800 thousand.

During 2021 as a result of the increase in capital due to the flexible dividend, this reserve has increased by the difference between the nominal value of the shares and the equivalent value to the dividend, which amounts to EUR 21,896 thousand (EUR 32,877 at December 31, 2020). The balance under this heading amounts to EUR 301,058 thousand at December 31, 2021 (EUR 279,162 at December 31, 2020).

*Other reserves*

The breakdown of this account for the years ended December 31, 2021 and 2020 is as follows:

	Thousand euro	
	2021	2020
Voluntary reserves	1,001,341	1,025,557
Canary Islands investment reserve	3,485	3,485
Redeemed capital reserve	30,539	30,539
Revaluation reserve	2,539	2,539
Merger reserve	4,588	4,588
<b>Total other reserves</b>	<b>1,042,492</b>	<b>1,066,708</b>

*Canary Islands investment reserve*

Pursuant to Law 19/1994, the Company began to avail itself of the tax incentives established therein, appropriating a portion of the profit earned by the permanent establishment in the Canary Islands to the Canary Islands investment reserve which is restricted to the extent that the resulting assets must remain at the company.



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At December 31, 2021 and 31 December 200 the balance of this reserve included in "Other Reserves" is EUR 3,485 thousand.

*Redeemed capital reserve*

Under the Spanish Companies Law, this reserve may be used based on the conditions required for reductions of share capital.

The balance of this reserve at December 31, 2020 and 2019 amounted to EUR 30,539 thousand.

*Revaluation reserves*

In accordance with mercantile legislation, the Company restated its fixed assets in 1996. The balance may be used, without the accrual of taxes, to offset book losses, including losses brought forward and current-year or future losses, as well as to increase share capital. As from January 1, 2007 (once 10 years have elapsed as from the date of the balance sheet in which the restatements were presented) it may be appropriated to freely distributable, provided the monetary gain has been realised. The capital gain will be deemed to have been realised in an amount equal to the depreciation that has been charged in the accounts or when the restated assets have been transferred or written off.

Should the balance in this account be used for any purposes other than those defined by Royal Decree-Law 7/1996, the balance would become taxable.

The balance of the Company's "Revaluation reserve" amounts to EUR 2,539 thousand at December 31, 2021 and 2020 and is available.

*Liquidity contract*

The Company maintains a liquidity contract with a financial intermediary, effective as of March 4, 2019, with the objective of increase and stability in the share price of the Company, within the limits established by the General Meeting of Shareholders and by current regulations, in particular, Circular 1/2017, of April 26, of the National Securities Market Commission, on liquidity contracts. Said contract assumes that the Company owns, at December 31, 2021, treasury stock representing 0.09% of the share capital (0.09% at December 31, 2020) and a global nominal value of EUR 16.8 thousand (EUR 18.6 thousand euros at December 31, 2020) and which have been registered in accordance Spanish GAAP. The average acquisition price of these shares has been 11.3 EUR per share (11.07 EUR per share as of December 31, 2020). The shares of the Company in its possession are intended to negotiate in the market.

### **13. Accruals and deferred income**

At December 31, 2021 and 2020 the balance and movement in this heading are as follows:

	Thousand euro
<b>Balance at December 31, 2019</b>	<b>72,269</b>
Taken to results (Note 19)	(52,656)
<b>Balance at December 31, 2020</b>	<b>19,613</b>
Taken to results (Note 19)	(17,771)
<b>Balance at December 31, 2021</b>	<b>1,842</b>

At December 31, 2021, there are no significant amounts of deferred revenues pending to be taken to the income statement. The main component of the balance at December 31, 2020 shown in the table above is made up of the amounts not taken to income for the initial non-refundable collections relating to the transaction with AstraZeneca described in Note 4k, amounting to EUR 17.4 million. They have been taken to income on a straight-line basis over the estimated duration of the development phase, ending in October 2021, and are included under "Other operating income" in the income statement at December 31, 2021 in the amount of EUR 17,406 thousand (EUR 20,839 thousand in the same period of 2020).

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However, in the first quarter of 2020 the Group decided to end its involvement in the development of one of the products, for which reason in 2020 EUR 31,407 thousand has been allocated under the heading "Other operating Income" (EUR 8,190 thousand during fiscal year 2019).

In 2021 and 2020, the Company has not signed any agreements which imply any deferred income in addition to the deferred income stated in Note 5 of these notes to the annual accounts.

**14. Long-term provisions**

The changes in 2021 and 2020 in "Provisions" in the accompanying balance sheet are as follows:

	2021			2020		
	Provision for returns	Other provisions	Total	Provision for returns	Other provisions	Total
<b>Balance at January 1</b>	<b>4,814</b>	<b>29,660</b>	<b>34,474</b>	<b>3,900</b>	<b>34,778</b>	<b>38,678</b>
Additions for the year	-	6,201	6,201	914	584	1,498
Derecognition	(329)	(1,476)	(1,805)	-	(3,914)	(3,914)
Transfers	-	(5,046)	(5,046)	-	(1,788)	(1,788)
<b>Balance at December 31</b>	<b>4,485</b>	<b>29,339</b>	<b>33,824</b>	<b>4,814</b>	<b>29,660</b>	<b>34,474</b>

*Provision for returns*

The provision for product returns relates to amounts recognised to cover the possible losses due to returns that may arise in the future as a result of sales made this year or in previous years. This provision was calculated as described in Note 4-j.

*Other Provisions*

The amount of other provisions relates mainly to the remuneration long-term (see note 4-r) and the estimate made by the Company of the disbursements that it should make in the future to meet other liabilities arising from the nature of its activity. Withdrawals for the current fiscal year correspond mainly to reversals of that provisions and the transfers relates to short-term reclassifications.

**15. Financial debts**

As detailed in Note 5-f, the Company classifies its financial liabilities in the following valuation categories:

- Financial liabilities measured at fair value through profit or loss:

Those liabilities related to bonds and other marketable securities issued listed that the Company may purchase in the short term based on changes in value, portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain gains in the short term or derivative financial instruments, provided that it is not a financial guarantee contract or has not been designated as hedging instruments, are considered included in this caption.

- Financial liabilities valued at amortized cost:

This caption includes simple debentures, debts with credit institutions and credit lines (revolving), mainly. At the date of initial application, the Company's business model is to maintain these financings to pay contractual cash flows that represent only principal and interest payments on the principal amount.

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The detail of the bank borrowings and other financial liabilities at December 31, 2021 and 2020 is as follows:

	Limit	Amount drawn down (*)	Current	Non-current		
				2023	Rest	Total
Credit lines	275,000	-	-	-	-	-
Bank loans (*)	80,000	75,000	10,000	10,000	55,000	65,000
Obligations (**)	300,000	249,692	-	-	249,692	249,692
Accrued interests	N/A	-	2,314	-	-	-
<b>Total at December 31, 2021</b>	<b>655,000</b>	<b>369,692</b>	<b>12,314</b>	<b>10,000</b>	<b>349,692</b>	<b>359,692</b>

	Limit	Amount drawn down	Current	Non-current		
				2022	Rest	Total
Credit lines	275,000	-	-	-	-	-
Bank loans	230,000	229,345	5,000	10,000	214,345	224,345
Obligations	250,000	239,647	239,647	-	-	-
Derivatives	N/A	2,967	2,967	-	-	-
<b>Total at December 31, 2020</b>	<b>755,000</b>	<b>471,959</b>	<b>247,614</b>	<b>10,000</b>	<b>214,345</b>	<b>224,345</b>

(\*) Balance drawn down net of issuance costs.

*Senior unsecured debentures*

On September 22, 2021, the Company closed and paid up an issue of senior unsecured debentures for an aggregate nominal amount of EUR 300 million, with a fixed annual interest rate of 2.125% and maturing on September 22, 2026. The proceeds were mainly used to redeem convertible bonds for a nominal amount of EUR 250 million. The debentures were placed with qualified investors by BNP Paribas and JP Morgan AG as lead arrangers. The effective interest rate of these bonds is 2.537% and at December 31, 2021 there is unpaid accrued interest of EUR 1,742 thousand.

*Debts with credit institutions*

On July 17, 2020 the Company entered into a revolving credit facility for an amount of EUR 275 million, for an initial term of 3 years with the possibility of an extension of 1 additional year (such renewal has been granted effective June 30, 2021, effective July 17, 2021) and intended for general corporate purposes. In the contract of said policy, the Company is obliged to comply with a series of covenants, among which the compliance with a certain "Consolidated Net Financial Debt / Consolidated EBITDA Ratio" stands out. This covenant is considered to be complied with as of December 31, 2021 and 2020.

On December 4, 2018, the Company formalized an unsecured senior syndicated loan "Club Bank Deal" led by BBVA for EUR 150 million (with a maturity date on December 14, 2023) and accruing interest 2.1% annual payable semi-annually. Within the contract of this credit line, the Company is obliged to comply with a series of covenants, among which the fulfilment of a certain "Consolidated Net Financial Debt / Consolidated EBITDA Ratio" stands out. Said "covenant" has been considered fulfilled as of December 31, 2020. On September 27, 2021, the Company has proceeded to the early cancellation of this syndicated loan without any penalty.

On March 27, 2019, the Company formalized a loan with the European Investment Bank (EIB) for an amount of up to 120 million euros, to finance its research and development efforts, with the aim of offering cutting-edge innovation and therapies differentiated in the area of medical dermatology. The first tranche of EUR 80 million was granted on April 17, 2019, with a fixed interest of 1.35% and 32 equal capital amortizations between April 17, 2021 and April 17, 2029, this being the maturity latest. Within the contract for this loan, the Company is obliged to comply with a series of covenants, among which the fulfilment of a certain "Consolidated Net Financial Debt / Consolidated EBITDA Ratio" and another certain "Financial Leverage Ratio of the companies stand out. subsidiaries / consolidated EBITDA ". Both covenants are considered fulfilled as of December 31, 2020 and 2021. As a consequence of the maturities of 2022, EUR 5 million have been reclassified as Current financial debt as of December 31, 2021.

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*Convertible Bond*

On December 4, 2018, a simple unsecured bond issue was formalized with final maturity on December 14, 2021 for a maximum aggregate nominal amount of €250 million, eventually convertible into or exchangeable for ordinary shares of the Company at a conversion price set at €18.1776 per share. These bonds accrued a nominal interest rate of 0.25%, with an effective interest rate of 4.8%.

For this bond issue, the fair value of the derivative financial instruments embedded in the host instrument (the financial liability for the bond) was first determined. The initial recognition value of the host instrument was determined on a residual basis after deducting from the total amount of the instrument the fair value assigned to the derivative financial instruments.

Within the derivative financial instrument, the following options with a significant value were identified that required the separation of the host contract:

- Conversion option: due to the fact that, within the scenarios of price adjustment for conversion into shares, there were mechanisms whose nature implied that the presentation as equity was not appropriate, such option represented a derivative financial instrument separable from the host contract (financial liability) for the Company.

- Cancellation option: the Company could early redeem in full, but not in part, the bonds for their face value plus accrued and unpaid interest.

As of December 31, 2020, the fair value of these options amounted to 2.3 million euros.

The change in the fair value of these options has been recorded in the income statement between the time of initial recognition and the valuation made at closing. For the year ended December 31, 2021, the impact on the income statement amounted to EUR 2.3 million profit (EUR 16.8 million profit at December 31, 2020) (Note 19). The Company accounted for both options at their net value in accordance with current regulations.

The valuation of both options was performed by an independent expert, using standard valuation methodologies for derivative financial instruments and in accordance with current regulations.

On December 14, 2021 the Parent Company has proceeded to the full cancellation, at maturity, of the convertible bond.

*Financial derivative instruments*

On May 10, 2018, the Ordinary General Shareholders' Meeting approved the execution of a swap transaction of interest and shares ("Equity swap"). This operation was made effective through a contract dated May 11, 2018 with Banco Santander, S.A., by which the Company must pay a variable interest to the bank as a compensation and Banco Santander, S.A. commits, as acquirer of underlying common shares of Almirall S.A. (with a maximum nominal limit of 2.95% of the share capital (5,102,058 shares) or EUR 50 million, and with a term of 24 months), to deliver the dividend received for its investment in Almirall S.A, and sell the shares of the Company to the company itself at expiration date.

Additionally, under certain conditions in which the fair value is less than 85% of the cost value, the Company must partially settle this debt with the bank (reducing in that case the fair value of the derivative). Once a settlement has been made, in the event that the fair value is greater than 110% of the last value for which a settlement took place, the Company may recover part of the payments made (always limited to the cost of acquisition by part of Banco Santander). For this reason, the Company has chosen to classify said asset / liability as current.

Consequently, under "Assets from derivative financial instruments" (in the case of unrealized gain) or "Liabilities from derivative financial instruments" (in the case of unrealized loss), the fair value of the derivative corresponding to the difference between the fair value of the underlying asset (2,510.952 shares equivalent to EUR 35.1 million, corresponding to 1.4% of the Company's share capital) and the acquisition cost thereof for Banco Santander, which at December 31, 2021 amounts to a capital loss of EUR 6.7 million, all of which has been deposited with the bank, so that the liability at year-end is zero. As of December 31, 2020, it amounted to a loss of EUR 9.3 million, of which EUR 6.9 million had been deposited with the bank, so that the liability at year-end amounted to EUR 0.7 million (Note 9). It is considered that the value of the option derivative that would

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entail the acquisition of the maximum total number of shares (EUR 50 million) would not be significant at the closing date. Since this derivative does not meet the requirements for hedge accounting, it is recorded with changes in value in the income statement (Note 19). For the year ended December 31, 2021, the impact on the Company's income statement amounted to a gain of €1 million (loss of EUR 9.3 million for the year ended December 31, 2020), see Note 9.

At the date of preparation of these annual accounts, the directors consider that all of the aforementioned obligations have been fulfilled.

**16. Other long-term and short-term financial liabilities**

The detail at December 31, 2021 and 2020 is as follows:

	Thousand euro					
	Current	Non-Current				
		2023	2024	2025	Other	Total
Research-related loans	2,167	1,519	860	1,056	372	3,807
Payables for purchases of non-current assets	25,342	-	-	-	-	-
<b>Total at December 31, 2021</b>	<b>27,509</b>	<b>1,519</b>	<b>860</b>	<b>1,056</b>	<b>372</b>	<b>3,807</b>

	Thousand euro					
	Current	Non-Current				
		2022	2023	2024	Other	Total
Research-related loans	2,608	2,116	1,592	904	1,027	5,639
Payables for purchases of non-current assets	2,568	-	-	-	-	-
Accrued interest	686	-	-	-	-	-
<b>Total at December 31, 2020</b>	<b>5,862</b>	<b>2,116</b>	<b>1,592</b>	<b>904</b>	<b>1,027</b>	<b>5,639</b>

The research-related loans relate to the interest-free loans granted by the Ministry of Science and Technology to promote research and are presented as described in Note 4-f. The grant of these loans is subject to compliance with certain conditions concerning investments and expenses. These loans mature in the period 2021 to 2030.

Payables for non-current asset purchases in 2021 and 2020 relate mainly to the outstanding payments for the acquisition of goods, products and marketing licences made in the year and in prior years. The balance at December 31, 2021 includes the portion pending disbursement for the agreement reached with Ichnos Science, amounting to EUR 20.8 million, for the global rights to develop and commercialize the monoclonal antibody ISB 880 for autoimmune diseases, for which payment was made on January 19, 2022 (Note 5).

There are no significant differences between the fair value of the liabilities and the amount recognised.

**17. Commitments entered into, contingent liabilities and contingent assets**

**a. Commitments entered into**

As a result of the research and development activities carried out by the Company, at the end of 2021 and 2020, firm agreements had been signed for the performance of these activities amounting to EUR 60 million and EUR 32 million, respectively, to be paid in future years. As of December 31, 2021 and 2020, there were no significant commitments to purchase property, plant and equipment.

The lease commitments entered into by the Company are detailed in Note 7.

The Company has arranged several guarantees with the public administration and third parties amounting to EUR 8,378 thousand at December 31, 2021 (EUR 9,501 thousand at December 31, 2020).

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**b. Contingent liabilities**

There are no significant contingent liabilities that might result in significant cash outlays others than mentioned in this Annual Accounts (contingent payments for intangibles assets acquisition, Note 5)

**c. Contingent assets**

As a result of the operation with AstraZeneca described in Note 4-k, the Company is entitled to receive a payment of certain amounts for milestones related to certain events.

**18. Tax situation**

*Consolidated Tax Group*

Almirall, S.A. files consolidated tax returns as provided for in Title VII, Chapter VI of Law 27/2014 of 27 November, for the Corporate Income Tax. The companies composing the tax group for 2020 and 2019 are: Almirall, S.A., Laboratorios Almirall, S.L., Industrias Farmacéuticas Almirall, S.A., Laboratorios Tecnobío, S.A., Ranke Química, S.L. and Almirall Europa Derma S.A. being the first of them the head of the tax group. Consequently, Almirall, S.A. is the responsible in front of tax authorities for the declaration, payment and presentation of Corporate Income Tax.

*Years open to tax inspections*

On June 30, 2021, the Tax Agency notified the Company, in its capacity as representative of the tax group, of the commencement of the verification and investigation inspection proceedings for Corporate Income Tax (tax consolidation regime) for fiscal years 2016, 2017 and 2018. Likewise, it notified the initiation of inspection and investigation proceedings against the Company, Industrias Farmacéuticas Almirall S.A. and Ranke Química, S.A. for Value Added Tax, withholdings and payments on account of movable capital, withholdings and payments on account of work/professional income, and withholdings and payments on account of non-resident taxes for the periods between July 2017 and December 2018.

Consequently, the Parent Company and the companies comprising the Spanish tax group, of which it is the parent company, have open for inspection the years 2016 to 2020 in relation to Corporate Income Tax and the periods starting from July 2017 onwards in relation to the other taxes applicable to it.

Generally, due to the possible different interpretations to which tax legislation lends itself, future inspections that may be carried out by the tax authorities for the years open to inspection may give rise to tax liabilities, whose amount cannot be currently quantified in an objective manner. However, the Company's directors consider that the possibility of any material liability arising in this connection other than those already recognised is remote.

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*Tax refundable and payable*

The detail of current tax refundable and payable at December 31, 2021 and 2020 is as follows:

	Thousand euro	
	2021	2020
VAT receivable	5,453	5,788
Income tax receivable	16,240	39,437
Sundry taxes receivable	1,425	1,067
<b>Total balances receivable</b>	<b>23,118</b>	<b>46,292</b>
VAT payable	-	-
Foreign VAT payable	1,143	5,364
Income tax payable	-	88
Personal income tax withholdings	2,071	1,338
Social security payable	829	864
Sundry taxes receivable	-	-
<b>Total balances payable</b>	<b>4,043</b>	<b>7,654</b>

"Corporate income tax receivable" includes tax refundable for 2021 and 2020.

*Income tax recognised*

The reconciliation of the accounting results and tax base for 2021 and 2020 is as follows:

	Thousand euro	
	2021	2020
Profit /(loss) before taxes	(38,227)	18,086
Permanent differences:		
Increase	140,090	99,473
Decrease	(35,934)	(85,743)
Temporary differences		
Increase	2,088	6,916
Decrease	(75,511)	(39,152)
<b>Gross taxable income</b>	<b>(7,493)</b>	<b>(419)</b>
Offsetting of tax-loss carry forwards	-	-
<b>Tax base</b>	<b>(7,493)</b>	<b>(419)</b>

The reduced taxable profit resulting from permanent differences in 2021 and 2020 is a result basically of the reduction of the taxable profit from the disposal of intangible assets, to the exemption for double imposition of received dividend, and to the reversal of impairments, whilst the increase mainly corresponds to the different treatment for tax purposes of certain expenses arising in these years.

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Additionally, the detail of income tax recognised in the income statement and in equity in 2021 and 2020 is as follows:

	Thousand euro	
	Expense /(income)	
	2021	2020
<i>Income tax:</i>		
<b>- Recognised in the income statement</b>	<b>18,607</b>	<b>8,375</b>
Current corporate income tax	-	-
Deferred corporate income tax	18,577	8,323
Foreign tax	30	52
<b>- Recognised in equity</b>	-	-
<b>Total</b>	<b>18,607</b>	<b>8,375</b>

*Reconciliation of the accounting results to the tax base*

The reconciliation of the corporate income tax expense resulting from the application of the standard tax rate in force to the income tax expense recognised is as follows:

	Thousand euro	
	2021	2020
Profit /(loss) before taxes	(38,227)	18,086
Permanent differences:		
Increase	140,090	99,473
Decrease	(35,934)	(85,743)
Adjusted accounting results	65,930	31,816
Tax rate	25%	25%
<b>Gross tax</b>	<b>16,482</b>	<b>7,954</b>
Tax credits:		
-Tax credits and other consolidation adjustments	1,141	369
Income tax paid abroad	30	52
Regularisation of deferred tax assets and liabilities	-	-
Effect of tax consolidation	932	-
Offset of tax losses	-	-
Other	22	-
<b>Income tax expense (income) accrued</b>	<b>18,607</b>	<b>8,375</b>

The Corporate Income Tax expense of Almirall, S.A. is the result of applying the tax rate of 25% on the tax group taxable base (null in 2021 and 2020 due to a negative taxable base). The retentions and advance payments have amounted to EUR 11,677 thousand (EUR 11,227 thousand in fiscal year 2020). The amount to be returned from tax authorities amount to EUR 16,240 thousand at December 31, 2021 (EUR 15,954 thousand at December 31, 2020). Said amount is the result from advance payments made during the financial year 2021 and the monetization of deductions according to art. 39.2 of LIS, amounting to EUR 4,563 thousand (EUR 4,824 thousand in 2020).



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The detail, by nature and amount, of the tax incentives applied in 2021 and 2020 and of those not yet applied at 31 December 2021 and 2020 is as follows:

Nature	Year generated	Thousand euros			
		2021		2020	
		Offset	Available for offset	Offset	Available for offset
Research and development	2007	-	25,274	202	25,274
	2008	-	34,841	-	34,841
	2009	-	26,883	-	26,883
	2010	-	34,629	-	34,629
	2011	-	35,845	-	35,845
	2012	-	32,842	-	32,842
	2013	-	28,661	-	28,661
	2014	-	23,685	-	23,685
	2015	-	14,841	-	14,841
	2016	-	12,260	-	12,260
	2017	-	10,209	-	10,209
	2018	-	9,230	-	9,230
	2019	86	9,786	6,250	9,872
	2020	5,619	7,824	-	13,442
	2021	-	15,996	-	-
		<b>5,705</b>	<b>322,806</b>	<b>6,452</b>	<b>312,514</b>
Technological innovation	2012	-	1,077	-	1,077
	2013	-	1,439	-	1,439
	2014	-	701	-	701
		-	<b>3,217</b>	-	<b>3,217</b>
International double taxation	2017	-	-	-	-
	2018	-	-	-	-
	2019	-	499	415	499
	2020	-	80	-	80
	2020	-	29	-	-
		-	<b>608</b>	<b>415</b>	<b>579</b>
Re-investment of extraordinary income	2012	-	55	-	55
	2013	-	2	-	2
	2014	-	10	-	10
		-	<b>67</b>	-	<b>67</b>
Donations	2016	-	-	-	-
	2017	-	-	-	-
	2018	-	-	-	-
	2019	-	-	36	-
	2020	-	-	41	-
	2021	-	14	-	-
		-	<b>14</b>	<b>77</b>	-
Temporary measures	2016	-	-	-	-
	2017	-	-	-	-
	2018	-	-	-	-
	2019	-	-	26	-
	2020	-	-	21	-
	2021	-	11	-	-
		-	<b>11</b>	<b>47</b>	-
<b>Total tax incentives attested</b>		<b>5,705</b>	<b>326,725</b>	<b>6,991</b>	<b>316,379</b>
<b>Total deferred tax assets recognized on the balance sheet</b>			<b>181,955</b>		<b>187,915</b>

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The deadline for recognition of tax credit carryforwards is 18 years from the date earned. These tax assets may only be recognised in relation to 50% of the tax payable in accordance with current legislation, if legislation establishes that the tax credit which the Company will generate each year will exceed 10% of tax payable.

Also, as of December 31, 2021 and 2020, the Company has not recognized as deferred tax assets the tax effect of the tax loss carryforwards generated by the entire tax group, the amounts and year of generation of which are as follows:

	2021	2020
Generated in 2017	29,542	29,542
Generated in 2019	106,103	106,103
Generated in 2021	3,727	-
<b>Total tax los carryforwards</b>	<b>139,372</b>	<b>135,645</b>

*Deferred tax*

The detail of deferred taxes recognised in both years is as follows:

	2021		2020	
	Accumulated differences in tax bases	Accumulated effect tax payable	Accumulated differences in tax bases	Accumulated effect tax payable
Amortisation of intangible assets	9,444	2,361	69,564	17,398
Provisions	14,780	3,695	19,843	4,961
Deductions pending application	-	181,955	-	187,915
<b>Total deferred tax assets</b>	<b>-</b>	<b>188,011</b>		<b>210,274</b>
Unrestricted amortisation/depreciation R,D, 27/84, 2/85, 3/93	18,624	4,656	20,014	5,004
Amortisation of goodwill	99,236	24,809	89,633	22,408
Other	-	-		
<b>Deferred tax liabilities</b>	<b>-</b>	<b>29,465</b>		<b>27,412</b>

A breakdown of deferred tax assets and liabilities is as follows:

	2021	2020
Deferred tax assets	188,011	210,274
Deferred tax liabilities	(29,465)	(27,412)
<b>Deferred tax assets (net)</b>	<b>158,546</b>	<b>182,862</b>

The gross movement in deferred tax is as follows:

	2021	2020
At January 1	182,862	197,153
(Charged)/credited to income statement	(18,356)	(8,261)
Partial monetization of R&D deductions	(5,705)	(6,030)
Adjustments and regularizations	(255)	-
<b>At December 31</b>	<b>158,546</b>	<b>182,862</b>

These deferred tax assets were recognised in the balance sheet as the Company's directors consider that it is probable that these assets will be recovered in full within 10 years in line with their best estimates of future profit. The basis of the estimated future profit underpinning this analysis was as follows:

- Projections of estimated profit of the consolidated Spanish tax group over the next five years (extrapolated up to 10 years) based on the product portfolio and current group structure. This

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projection took into account sustained increases in future profit, the result mainly of expected growth in sales of the products in the Group's portfolio as well as significant synergies which are expected as a result of the Group's restructuring.

- Estimated additional effects expected in profit or loss over the coming years as a result of the expected future investments/acquisitions in the medium term. Estimated returns and the probability of achieving them were also considered.

On December 29, 2021, Law 22/2021, of December 28, 2022, on the General State Budget for 2022 was published in the Official State Gazette (BOE), which amends the Corporate Income Tax Law by establishing that, for fiscal years beginning on or after January 1, 2022 and for an indefinite term, the concept of "minimum taxation" applies in Spain. Minimum taxation implies that, depending on the size and type of entity, companies must have a minimum net tax liability (generally established at 15%). In order to determine the net tax liability, a priority is established in the allowances and deductions so that those with a lower priority cannot be compensated if they reduce taxation below the minimum and must be subject to deferral. The concept of minimum taxation has implications on the recognition of deductions for the purpose of assessing the recoverability of deferred tax assets.

As a result of this regulatory change, the Company has carried out an analysis of the recoverability of the deferred tax assets recorded in the balance sheet, which has led to a reduction of deferred tax assets in the amount of EUR 19.9 million and the corresponding loss in the year ended December 31, 2021 has been recorded under the heading "Income tax" in the income statement.

## **19. Income and expense**

### *Net Sales*

The detail, by business and geographical area, of Net Sales for the year is as follows:

	Thousand euro	
	2021	2020
Spain	255,982	239,676
Exports	253,529	227,949
Income from shareholdings in Group companies (Note 20)	10,655	52,047
<b>Total</b>	<b>520,166</b>	<b>519,672</b>

	Thousand euro	
	2021	2020
Sale through own network	446,717	407,753
Sale through licensees	42,007	44,050
Income from shareholdings in Group companies (Note 20)	10,655	52,047
Other	20,787	15,822
<b>Total</b>	<b>520,166</b>	<b>519,672</b>

### *Other operating income*

	Thousand euro	
	2021	2020
Income from sales/product marketing licenses	20,896	410
Other income - Group companies (Note 20)	14,805	17,909
Other	26,668	59,494
<b>Total</b>	<b>62,369</b>	<b>77,813</b>

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The first four items detailed above refer basically to other income relating to sales/assignment of marketing rights for proprietary research products which were accounted for as indicated in Note 4-K.

Other for 2021 mainly includes:

- Income in the amount of EUR 17.4 million, related to the temporary charge to income of the non-refundable amounts initially received (Note 13) (EUR 52 million during 2020).
- A net income of EUR 6,934 thousand related to the change in the fair value of the financial asset arising from the transaction with AstraZeneca (Note 4k) (EUR 5,013 thousand during 2020).

*Raw materials and consumables*

This heading is analysed below:

	Thousand euro	
	2021	2020
Purchases	140,198	155,008
Changes in inventories of raw materials and other consumables	(401)	(11,714)
Changes in inventories of goods for resale	(840)	3,012
Inventory impairment	(132)	107
Subcontracted work	46,090	50,851
<b>Total</b>	<b>184,915</b>	<b>197,264</b>

The detail of "Inventory impairment" and the movement in the measurement adjustment is as follows:

	Thousand euro		
	Raw material and other consumables impairment	Finished and semi-finished goods impairment	Inventory impairment (Note 10)
<b>Balance at December 31, 2019</b>	<b>430</b>	<b>3,612</b>	<b>4,042</b>
Appropriation	577	5,519	6,096
Application	(654)	(5,335)	(5,989)
Reclassification	-	(979)	(979)
<b>Balance at December 31, 2020</b>	<b>353</b>	<b>2,817</b>	<b>3,170</b>
Appropriation	999	7,996	8,995
Application	(1,131)	(7,531)	(8,662)
<b>Balance at December 31, 2021</b>	<b>221</b>	<b>3,282</b>	<b>3,503</b>

The detail, by origin, of the purchases made by the Company in 2021 and 2020 is as follows (thousand euro):

	2021			2020		
	Spain	Intra-Community	Imports	Spain	Intra-Community	Imports
Purchases	36,124	94,951	9,123	38,289	108,159	8,560
<b>Total</b>	<b>140,198</b>			<b>155,008</b>		

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*Staff costs*

The detail of "Staff Costs" is as follows:

	Thousand euro	
	2021	2020
Wages and salaries	56,781	49,531
Employer's Social Security contributions	8,561	8,805
Severance payments	2,776	2,584
Other employee welfare expenses	4,718	3,777
<b>Total</b>	<b>72,836</b>	<b>64,699</b>

The average number of employees of the Company by category and gender during the year is as follows:

	2021			2020		
	Men	Women	Total	Men	Women	Total
Managing directors	1	-	1	1	-	1
Directors	21	10	31	23	11	34
Managers	62	60	122	64	60	124
Technicians	141	215	356	144	220	365
Administrative	16	43	60	23	46	68
Other	-	1	1	-	1	1
<b>Total</b>	<b>241</b>	<b>329</b>	<b>570</b>	<b>254</b>	<b>338</b>	<b>592</b>

The average of employees during 2021 with a 33% or higher disability is 1 person (one technical employee) (1 employee during 2020).

The number of employees at the year-end 2021 is as follows:

	2021		
	Men	Women	Total
Managing directors	1	-	1
Directors	22	7	29
Managers	62	60	122
Technicians	142	217	359
Administrative	15	45	60
Other	-	1	1
<b>Total</b>	<b>242</b>	<b>330</b>	<b>572</b>

The number of employees at the year-end 2020 is as follows:

	2020		
	Men	Women	Total
Managing directors	1	-	1
Directors	21	11	32
Managers	63	59	122
Technicians	142	219	361
Administrative	22	45	67
Other	-	1	1
<b>Total</b>	<b>249</b>	<b>334</b>	<b>583</b>

The number of employees at the end of 2021 with a 33% or higher disability is 1 person (one technical employee) (1 employee at year-end 2020).

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*Other operating expenses*

The detail of "Other Operating Expenses" is as follows:

	Thousand euro	
	2021	2020
R+D	30,019	31,611
Rent and charges	34,903	21,723
Repair and upkeep	8,859	8,642
Independent professional services	9,371	9,144
Services received from Group (Note 20)	74,613	67,626
Vehicles	4,002	3,064
Insurance premiums	1,802	1,536
Banking and similar services	496	257
Advertising	35,036	30,740
Utilities	1,025	1,166
Other services	14,273	16,863
Other taxes	228	184
<b>Total</b>	<b>214,627</b>	<b>192,556</b>

*Losses, impairment and variation in trade provisions*

The detail of "Losses, impairment and change in allowances and provisions" in the accompanying income statement and of changes in trade provisions is as follows:

	Thousand euro	
	2021	2020
Change in measurement adjustment for bad debts (Note 11)	(110)	123
Change in other trade provisions	990	(762)
<b>Total</b>	<b>880</b>	<b>(639)</b>

The change in the bad debt allowance is as follows:

	Thousand euro
	Bad debt allowance (Note 11)
<b>Balance at December 31, 2019</b>	<b>848</b>
Change in measurement adjustments	
Appropriation	749
Application	(872)
<b>Balance at December 31, 2020</b>	<b>725</b>
Change in measurement adjustments	
Appropriation	1,068
Application	(958)
Cancellation	(376)
<b>Balance at December 31, 2021</b>	<b>459</b>

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*Impairment and profit/(loss) on disposals of fixed assets and investments in Group companies*

The detail of "Impairment and profit/loss on disposals of fixed assets and investments in group companies" in 2021 and 2020 is as follows:

	Thousand euro			
	2021		2020	
	Profit	Loss	Profit	Loss
Profit/loss on disposal or derecognition of intangible assets (Note 5)	-	(955)	-	(358)
Profit/loss on disposal or derecognition of property, plant and equipment	-	-	-	(27)
Impairment and gain (loss) on disposal of financial instruments (Note 8)	-	(967)	-	-
Impairment of investments in Group companies (Note 8)	22,566	(140,020)	12,521	(98,987)
	<b>22,566</b>	<b>(141,942)</b>	<b>12,521</b>	<b>(99,372)</b>
<b>Impairment and profit/(loss) on disposals of fixed assets and investments in Group companies</b>	<b>(119,376)</b>		<b>(86,851)</b>	

Impairment gains on investments in group companies in 2021 and 2020 correspond to the reversal of impairment of the investee Almirall International BV and impairment losses in both years correspond mainly to the provisions made for Almirall, Inc. (Note 8).

*Financial income and expenses*

The detail of "Financial income/(expense)", "Impairment and profit/loss on disposals and changes in the fair value of financial instruments" and "Exchange differences" in 2021 and 2020 is as follows:

	Thousands of Euros			
	2021		2020	
	Income	Income	Income	Expense
Other income and similar interest	486	-	1,365	-
Change to fair value in financial instruments	3,218	-	7,478	-
Financial expenses for obligations (Note 15)	-	(12,972)	-	(11,027)
Finance and similar costs	-	(7,264)	-	(6,469)
Exchange differences	20,565	(4,036)	11,172	(26,356)
	<b>24,269</b>	<b>(24,273)</b>	<b>20,015</b>	<b>(43,852)</b>
	<b>(4)</b>		<b>(23,837)</b>	

The caption "Variation in the fair value of financial derivatives" corresponds to the update of the fair value of the Equity swap and the options linked to the convertible bond as described in Note 15.

In caption "Financial expenses for obligations" include financial expenses for interest regarding the issuing of convertible bonds (Note 15).

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*Foreign Currency Transactions*

During the years ended 2021 and 2020 the Company carried out the following transaction in foreign currency:

	Thousands of Euros			
	Expense		Income	
	2021	2020	2021	2020
US dollar	7,186	55,763	7,524	7,859
Sterling Pounds	11,479	10,386	10,556	27,437
Swiss Franc	5,031	4,862	9,043	7,559
Japanese Yen	4,204	5,206	3,605	3,824
Danish Krone	2,324	2,349	5,515	5,791
Polish Zloty	817	933	2,613	2,221
Others	205	79	(3)	(8)
	<b>31,246</b>	<b>79,578</b>	<b>38,853</b>	<b>54,683</b>

*Auditor fees*

During fiscal years 2021 and 2020, the fees for auditing services and other services provided by the Company's auditor (KPMG in fiscal year 2021 and PricewaterhouseCoopers Auditores, S.L. in fiscal year 2020) or by other companies in the auditor's network were as follows (in thousands of euros):

The detailed services provided by year are as follows:

Description	2021			
	Audit and related services		Tax services	Other services
	Audit services	Audit related services		
PricewaterhouseCoopers Auditores, S.L.	138	244	-	-
Other companies of Group PwC	-	-	34	-
	<b>138</b>	<b>244</b>	<b>34</b>	<b>-</b>

Description	2020			
	Audit and related services		Tax services	Other services
	Audit services	Audit related services		
PricewaterhouseCoopers Auditores, S.L.	217	31	-	55
Other companies of Group PwC	-	-	-	-
	<b>217</b>	<b>31</b>	<b>-</b>	<b>55</b>

The heading "Audit services" includes the fees corresponding to the audit of the individual and consolidated annual accounts of Almirall, S.A.

The heading "Audit-related professional services" for 2021 includes the fees for the limited review of the Group's interim consolidated financial statements, the review of the information relating to the Group's Internal Control over Financial Reporting System (ICFR), as well as a specific "Comfort Letter" related to the issuance of the simple senior bonds described in Note 15.



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The heading "Tax services" in 2021 includes the services invoiced in relation to the preparation of reports and R&D Certificates related to monetization of R&D tax deductions to official bodies.

**20. Balances and transactions with related parties**

*Transactions*

During 2021 the Company carried out the following transactions with Group companies:

Revenues	Sales	Other operating income	Financial income (interests and dividends)	Total
Almirall, AG	6,676	-	2	6,678
Almirall ApS	5,515	-	-	5,515
Almirall Limited	10,550	129	2	10,681
Almirall B.V	28,303	-	-	28,303
Almirall S.A.S	11,070	402	-	11,472
Almirall SpA	35,140	87	-	35,227
Almirall Hermal, GmbH	81,255	1,525	-	82,780
Almirall-Productos Farmacéuticos, Lda.	4,129	-	-	4,129
Almirall N.V	3,309	-	-	3,309
Almirall Inc. (USA)	-	283	10,651	10,934
Industrias Farmacéuticas Almirall S.A	-	882	-	882
Ranke Química, S.A	894	188	-	1,082
Laboratorios Almirall S.L	-	573	-	573
Polichem S.A (Suiza-Lugano)	2,460	2,938	-	5,398
Almirall LLC	5,480	7,798	-	13,278
<b>Total</b>	<b>194,781</b>	<b>14,805</b>	<b>10,655</b>	<b>220,241</b>

Expenses	Purchases	Services received	Financial expenses	Total
Almirall, AG	-	4,619	1	4,620
Almirall ApS	-	2,137	-	2,137
Almirall Limited	-	5,757	-	5,757
Almirall B.V	1,950	1,729	-	3,679
Almirall S.A.S	-	2,513	-	2,513
Almirall SpA	-	11,092	-	11,092
Almirall Hermal, GmbH	11,375	28,966	-	40,341
Almirall-Productos Farmacéuticos, Lda.	-	994	-	994
Almirall Sp. Z.o.o	-	543	-	543
Industrias Farmacéuticas Almirall S.A	41,794	3,630	-	45,424
Ranke Química, S.A	18,224	-	-	18,224
Laboratorios Almirall S.L	-	10,984	-	10,984
Polichem S.A (Suiza-Lugano)	3,938	71	-	4,009
Almirall NV	-	1,578	-	1,578
<b>Total</b>	<b>77,281</b>	<b>74,613</b>	<b>1</b>	<b>151,895</b>

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During 2020 the Company carried out the following transactions with Group companies:

Revenues	Sales	Other operating income	Financial income (interests and dividends)	Total
Almirall, AG	7,559	12	1	7,572
Almirall ApS	5,791	2	-	5,793
Almirall Limited	27,437	152	-	27,589
Almirall B.V	5,422	-	-	5,422
Almirall S.A.S	7,920	372	-	8,292
Almirall SpA	29,266	182	-	29,448
Almirall Hermal, GmbH	75,755	1,925	40,000	117,680
Almirall-Productos Farmacéuticos, Lda.	4,211	-	-	4,211
Almirall N.V	2,353	-	-	2,353
Almirall Inc. (USA)	-	1,698	12,046	13,744
Industrias Farmacéuticas Almirall S.A	-	725	-	725
Ranke Química, S.A	-	163	-	163
Laboratorios Almirall S.L	-	689	-	689
Laboratorios TecnoBio, S.A	-	4	-	4
Polichem S.A (Suiza-Lugano)	768	4,242	-	5,010
Almirall LLC	3,713	7,737	-	11,450
Almirall GmbH	-	1	-	1
Polichem SRL	-	5	-	5
<b>Total</b>	<b>170,195</b>	<b>17,909</b>	<b>52,047</b>	<b>240,151</b>

Expenses	Purchases	Services received	Financial expenses	Total
Almirall, AG	-	4,656	-	4,656
Almirall ApS	-	2,181	-	2,181
Almirall Limited	-	4,613	34	4,647
Almirall B.V	-	2,050	-	2,050
Almirall S.A.S	-	39	-	39
Almirall SpA	-	7,767	-	7,767
Almirall Hermal, GmbH	15,059	25,550	-	40,609
Almirall-Productos Farmacéuticos, Lda.	-	943	-	943
Almirall Sp. Z.o.o	-	689	-	689
Industrias Farmacéuticas Almirall S.A	43,067	3,521	-	46,588
Ranke Química, S.A	17,688	-	-	17,688
Laboratorios Almirall S.L	-	13,749	-	13,749
Polichem S.A (Suiza-Lugano)	2,010	-	-	2,010
Almirall NV	-	1,868	-	1,868
<b>Total</b>	<b>77,824</b>	<b>67,626</b>	<b>34</b>	<b>145,484</b>

Expenses related to purchases and services received by the Company basically relate to supply contracts with Group companies and expenses connected with the marketing of products of foreign subsidiaries with their own sales network.

Sales revenues relate mainly to the supply of products to foreign subsidiaries and the rendering of administrative and management support services to subsidiaries.

As mentioned in Note 4k, the Company classifies the dividends and interest obtained in its capacity as Parent Company as net revenue interest of EUR 10,655 thousand in 2021 (EUR 12,047 thousand in 2020) and dividends in 2020 of EUR 40,000 thousand relating to the distribution from the investee Almirall Hermal GmbH.

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At December 31, 2021 and 2020 the balances of intercompany transactions break down as follows:

*Debtor balances*

Group Companies	Thousands of Euros			
	2021		2020	
	Trade balance	Financial balance (Nota <b>Error!</b> <b>Reference</b> <b>source not</b> <b>found.</b> )	Trade balance	Financial balance (Note 8)
Almirall N.V.	714	-	416	-
Almirall-Produtos Farmacéuticos, Lda.	625	-	652	-
Laboratorios Almirall, S.L.	24	-	-	-
Almirall, B.V.	6,727	-	844	-
Almirall SpA	5,394	-	4,875	-
Almirall S.A.S.	2,160	-	1,166	-
Almirall, AG	1,895	1,666	1,757	264
Almirall Sp.Z.o.o.	33	-	-	-
Almirall Limited UK	986	-	15,022	-
Almirall Hermal GmbH	17,265	-	16,542	-
Almirall ApS Nordics	-	-	1,140	-
Almirall Inc. (USA)	283	-	4,544	162,578
Almirall LLC	3,853	-	2,200	-
Polichem S.A. (Suiza – Lugano)	1,504	-	1,721	-
Ranque Química, S.A.	-	520	-	-
<b>Total</b>	<b>41,463</b>	<b>2,186</b>	<b>50,879</b>	<b>162,842</b>

**Almirall, S.A.**  
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*Creditor balances:*

Group companies	Thousand euros			
	2021		2020	
	Comercial	Financial	Comercial	Financial
Laboratorio Almirall S.L.	-	10,764	-	13,294
Laboratorios Tecnobío, S.A.	-	1,344	-	1,346
Industrias Farmacéuticas Almirall, S.A.	-	22,597	-	21,985
Ranke Química, S.A.	1,185	-	-	2,066
Almirall N.V.	226	3,180	360	3,387
Almiral ApS	799	-	719	-
Almirall-Produtos Farmacéuticos, Lda.	111	4,183	146	4,069
Almirall, B.V.	451	7,484	798	6,663
Almirall GmbH	-	2,252	-	2,092
Almirall SpA	1,539	71,573	25	71,739
Almirall S.A.S.	1,721	33,450	1,798	33,455
Almirall, AG	1,913	-	1,818	-
Almirall Sp. z o.o	-	-	(53)	-
Almirall Limited	2,121	4,588	644	9,497
Almirall Hermal GmbH	14,889	87,532	8,894	56,149
Almirall Aesthetics S.A.	-	182	-	196
Aqua Pharmaceuticals Holdings, Inc	-	-	14	-
Polichem S.A. (Suiza-Lugano)	545	162,529	-	132,974
Polichem SRL (Italia)	-	6,626	-	6,067
Poligroup Holding SRL (Italia)	-	1,321	-	1,130
<b>Total</b>	<b>25,500</b>	<b>419,605</b>	<b>15,163</b>	<b>366,111</b>

*Balances and transactions with other related parties*

In 2020 and 2019 the Company performed the following related-party transactions, giving rise to the following balances at December 31, 2020 and 2019:

Other related parties	Concept	Year	Thousands of Euros	
			Transactions – Income/ (Expense)	Balances - Debit / (Credit)
Grupo Corporativo Landon, S.L.	Leases	2021	(2,982)	-
		2020	(2,963)	-
Grupo Corporativo Landon, S.L.	Rebilling works	2021	252	123
		2020	122	-
Grupo Corporativo Landon, S.L.	Others	2021	-	-
		2020	-	-

The Company's head office is leased to the related company Grupo Corporativo Landon, S.L., under a contract expiring in 2022, which can be extended annually with a 6-month notice period (Note 7). Related party transactions are carried out at market price.

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**21. Remuneration of the Board of Directors and Executives**

In 2021 and 2020 the amount accrued by the current and former members of the Board of Directors for all types of remuneration (salaries, bonuses, per diems, benefits in kind, life insurance plans, compensation, incentive plans and social security contributions) totalled EUR 3,124 thousand and EUR 3,000 thousand, respectively. There are life insurance policies accrued amounting to EUR 9 thousand (EUR 13 thousand in 2020).

Additionally, the remuneration accrued, paid and unpaid, by the Company's Board of Directors in respect of the multi-year incentive and loyalty plans and the SEUS Plan (Note 4r), which amounted to EUR 552 thousand and zero thousand euros in 2021 and 2020, respectively. The year-end balance of the provision for these plans amounts to EUR 806 thousand in 2021 (EUR 302 thousand in 2020).

At December 31, 2021 and 2020, there were no other pension commitments with the current and former members of the Company's Board of Directors.

The Company has included the members of the Management Committee who are not members of the Board of Directors in the determination of the Executive members for the purposes of the annual accounts.

The amount accrued during the 2021 and 2020 financial years by the Executives, who are not members of the Board of Directors of the Company, for all remuneration items (salaries, bonuses, allowances, remuneration in kind, indemnities, incentive plans and social security contributions) amounted to EUR 6,249 thousand and EUR 5,017 thousand, respectively. There are life insurance policies accrued for an amount of EUR 9 thousand in 2021 (EUR 9 thousand in 2020).

In addition, the accrued remuneration, paid and unpaid, for the Company's executives under the multi-year incentive and loyalty plans and the SEUS Plan (Note 4r) amounted to EUR 1,050 thousand and EUR 740 thousand in 2021 and 2020, respectively. The year-end balance of the provision for these plans amounts to EUR 2,315 thousand in 2021 (EUR 1,999 thousand in 2020).

There are no other pension commitments to executives as of December 31, 2021 and 2020.

During 2021 and 2020, liability insurance premiums of 229 thousand euros and 151 thousand euros, respectively, have been accrued to cover possible damages caused to members of the Board of Directors and Senior Management in the performance of their duties.

The members of the Board of Directors and of the Senior Management of the Company have not received shares or share options during the year, nor have they exercised any options or have options pending exercise, nor have they granted advances or credits.

**22. Other disclosures concerning the Board of Directors**

As part of the duty to avoid conflicts with the Company's interests, during the year the directors who have held positions on the Board of Directors have discharged the obligations set forth in Article 228 of the Spanish Companies Act. Additionally, they and parties related to them have not come under the provisions concerning conflicts of interest set out in Article 229 of this Act, except where the pertinent authorisation was obtained.

**23. Information regarding the environment**

The Company has adopted the relevant measures on environmental issues in order to comply with current environmental legislation. The Company's strategy takes into consideration the objectives of the Paris Agreement to limit the global temperature increase to below 2°C and climate neutrality in 2050. The impact of climate change risk has not been considered relevant in the preparation of the 2021 financial statements, as it does not significantly affect the useful lives of assets and/or asset impairment assessments, nor does it result in any legal or implicit obligations for the Company.

The Company's property, plant and equipment include certain environmentally friendly assets (smoke abatement, underfloor drainage, etc.). The carrying amount of the assets is approximately EUR 636 thousand and EUR 350

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thousand at December 31, 2021 and 2020, respectively. Additionally, the new additions of these assets during the year 2021 amount to EUR 360 thousand (EUR 94 thousand in 2020).

As of December 31, 2021 and 2020 there are no emission rights.

The income statements for 2021 and 2020 include expenses related to protection of the environment amounting to EUR 578 thousand and EUR 478 thousand, respectively.

The Company's directors consider that the measures adopted adequately cover all the possible requirements and, therefore, there are no environmental risks or contingencies. Grants or income have not been received in connection with these activities.

#### **24. Exposure to risk and capital management**

The Company's business is exposed to certain financial risk: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program is focused on the uncertainty of the financial markets and it seeks to minimize the potential adverse effect on its financial profitability.

Risk management is carried out by the Treasury Department, which identifies, assesses and hedges financial risks in accordance with the policies approved by the Board of Directors. The Board provides written policies for overall risk management and written policies covering specific areas such as foreign currency risk, interest rate risk, and liquidity risk, use of derivatives and non-derivatives and investment of surplus liquidity.

##### *Interest rate risk*

At December 31 most of the Company's debt is at a fixed rate, minimizing the risk of a possible increase in interest rates. As described in Note 15, the main debt instruments are as follows:

- On September 22, 2021, the Company closed and disbursed an issue of senior plain vanilla bonds for an aggregate nominal amount of EUR 300 million, with a fixed annual interest rate of 2.125% and maturing on September 22, 2026.
- On July 17, 2020, the Company entered into a revolving credit facility for an initial term of 3 years with the possibility of an extension of 1 additional year (this renewal was granted on June 30, 2021, effective July 17, 2021) for general corporate purposes. This policy accrues a variable interest rate tied to Euribor. At December 31, the Company has not drawn down any amount under this policy.
- On March 27, 2019, the Company entered into a loan with the European Investment Bank (EIB) for up to EUR 120 million to finance its research and development efforts, with the aim of offering cutting-edge innovation and differentiated therapies in the area of medical dermatology. The first tranche of EUR 80 million was granted on April 17, 2019 at a fixed interest rate of 1.35%, with 32 equal principal repayments between April 17, 2021 and April 17, 2029, the latter being the final maturity. Due to the issuance of new debt, the interest rate is temporarily increased by 0.30%, resulting in an interest rate of 1.65%.

##### *Foreign currency risk*

The Company is exposed to foreign currency risk on certain transactions arising from its business. The risk relates mainly to revenue received in US dollars for sales of finished goods, payments received for the operation carried out with AstraZeneca, payments in US dollars received as a result of the deal agreements with Athenex, Dermira, payments in US dollars for clinical trials, raw material purchases and royalty payments in yen and dollars. The most relevant currency which the Company is operating is the US dollar.

The Company analyses quarterly the forecasts of collections and payments in foreign currency, as well as their evolution and trend. During recent years, the Company has reduced its exposure to exchange rate risk in those commercial transactions of greater volume, by contracting specific exchange insurance to cover payments in yen for the purchase of raw materials, and to cover the inflows of treasury in USD for collections.

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Until November 24, 2021, the Company held an intercompany loan with the U.S. subsidiary Almirall, Inc. in U.S. dollars. This loan had not been hedged as since July 1, 2020 it had become considered as more value of the net investment abroad. On November 24, 2021, the Company proceeded to capitalize the nominal amount of this loan together with the interest pending to be paid.

*Liquidity risk*

The Company calculates its cash requirements using two fundamental forecasting systems that differ in terms of time scale.

On the one hand, a one-year monthly cash budget is prepared based on the projected annual accounts for the current year, whose variations are analysed on a monthly basis.

On the other hand, medium- and long-term liquidity planning and management is based on the Group's (for what the Company is parent) five-year Strategic Plan.

Cash surpluses are generally invested in very short-term financial assets in financial institutions of recognized solvency, although as of December 31, 2021 they have been kept in the available accounts of the banks with which the Company works.

The financing instruments include a series of covenants that in case of non-compliance, would imply the immediate enforceability of said financial liabilities. Periodically, the Company assesses such compliance (as well as future compliance expectations in order, if appropriate, to be able to take corrective measures. As of December 31, 2021 all the covenants were accomplished as mentioned in Note 15.

The Company manages its liquidity risk prudently, maintaining sufficient cash and marketable securities and arranging credit facilities to cater for the projected needs.

*Credit risk*

The Company manages the credit risk of its accounts receivable on a case-by-case basis. For preventative purposes, there are credit limits on sales to wholesalers, pharmacies and local licensees. In view of the relatively reduced weight of hospital sales, collection management is performed directly after the transaction once the receivable has become due.

Allowances are recognised for the total amounts that cannot be collected once all the relevant collection management efforts have been made. In relation to the credit risk impairments, the Company mitigates the credit risk relating to financial assets by investing mainly in very short-term floating-rate instruments at banks with a high credit rating.

The Company does not have any significant credit risk exposure since it places cash and arranges derivatives with highly solvent entities.

*Estimation of fair value*

The valuation of assets and liabilities measured at fair value must be broken down by levels according to the following hierarchy determined by IFRS 13:

- Level 1. Quoted prices (unadjusted) in identical active markets and liabilities.
- Level 2. Data other than the quoted price included in level 1 that are observable for the asset or liability, both directly (i.e., prices) and indirectly (i.e., derived from prices).
- Level 3. Data for the asset or liability that is not based on observable market data.

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The breakdown as of December 31, 2021 and 2020 of the Company's assets and liabilities measured at fair value according to the aforementioned levels is as follows (in thousands of euros):

2021	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit or loss (*)	-	-	98,175
<b>Total Assets</b>	<b>-</b>	<b>-</b>	<b>98,175</b>
Liabilities			
Financial liabilities at fair value through profit or loss (Note 15)	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) includes the long-term and short-term amount derived from the transaction with AstraZeneca (see Note 9).

2020	Nivel 1	Nivel 2	Nivel 3
Assets			
Financial assets at fair value through profit or loss (*)	-	-	105,235
<b>Total Assets</b>	<b>-</b>	<b>-</b>	<b>105,235</b>
Liabilities			
Financial liabilities at fair value through profit or loss (Note 15)	-	2,967	-
<b>Total Liabilities</b>	<b>-</b>	<b>2,967</b>	<b>-</b>

(\*) includes the long-term and short-term amount derived from the transaction with AstraZeneca (see Note 9).

#### *Credit risk*

The Company manages credit risk through an individual analysis of the items comprising accounts receivable. As a preventive measure, credit limits are established for sales to wholesalers, pharmacies and local licensees. With respect to hospital sales, given their small weight, collection management is carried out directly after the debt has expired.

Amounts considered uncollectible, once all the pertinent collection procedures have been carried out, are provided for at 100%. The balance of the provision at the end of 2021 and 2020 is EUR 459 thousand and EUR 725 thousand, respectively (Note 11).

In relation to the impairment of financial assets due to credit risk, the Company invests mainly in very short-term variable rate instruments in entities with a high credit rating, in order to minimize any credit risk.

The Company does not have a significant credit risk, and both treasury placements and, if applicable, the contracting of derivatives with highly solvent financial institutions.

The attached tables reflect the aging analysis from the maturity date of the financial assets that are in default or impaired as of December 31, 2021 and 2020.



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	Miles de euros			
	Trade receivables	Other debtors	Impairment los on commercial operations	Total
Not expired	64,485	131	-	64,616
Less than 30 days past due	6,054	-	-	6,054
30 to 60 days	(802)	-	-	(802)
60 to 90 days	168	-	-	168
90 to 120 days	77	-	-	77
120 to 180 days	29	-	-	29
More than 180 days	884	-	(459)	425
<b>Balance as of December 31, 2021</b>	<b>70,895</b>	<b>131</b>	<b>(459)</b>	<b>70,567</b>
Not expired	70,068	98	-	70,166
Less than 30 days past due	584	-	-	584
30 to 60 days	(255)	-	-	(255)
60 to 90 days	(377)	-	-	(377)
90 to 120 days	-	-	-	-
120 to 180 days	2,439	-	-	2,439
More than 180 days	825	-	(725)	100
<b>Balance as of December 31, 2020</b>	<b>73,284</b>	<b>98</b>	<b>(725)</b>	<b>72,657</b>

*Capital management*

The Company manages its capital to guarantee the continuity of the activities of the companies of the Group of which it is the parent while maximising shareholders' returns through an optimum debt-equity ratio.

The Company periodically reviews the capital structure on the basis of a five-year strategic plan that establishes the guidelines concerning investment and financing.

At December 31, 2021 and 2020 the leverage ratios were as follows (thousand euro):

	December 31 2021	December 31 2020
Bank borrowings	75,000	229,345
Bonds and other negotiable securities	294,692	242,614
Cash and cash equivalents	(161,930)	(133,714)
<b>Net debt</b>	<b>207,762</b>	<b>338,245</b>
Equity	1,310,433	1,378,883
Share capital	21,573	21,374
<b>Leveraging ratio<sup>(1)</sup></b>	<b>16%</b>	<b>25%</b>

- (1) On the basis of the calculation used by the Company to determine the leverage ratio (not including "Other financial liabilities" included in Note 16 neither the interest pending to be paid from debt included in Note 15).

**25. Information on delays in payments to suppliers**

The supplier payment periods in force at the Company comply with the limits established in Law 15/2010, of July 5, on amendments to Law 3/2004 to combat non-payment in commercial transactions. The aforementioned law envisages a maximum payment period of 60 days.

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The detail of payments made on commercial transactions in the year that are outstanding at the year-end with respect to the maximum terms allowed by Law 15/2010 and in accordance with the State Official Gazette published on 4 February 2016, is as follows:

	<b>Number of days</b>	
	<b>2020</b>	<b>2020</b>
	<b>Days</b>	<b>Days</b>
Average supplier payment period	45	48
Ratio operations paid	48	47
Ratio operations pending payment	18	63
<b>Total payments made</b>	<b>445,906</b>	<b>501,907</b>
<b>Total payments pending</b>	<b>48,612</b>	<b>37,868</b>

This balance relates to the suppliers which, by nature were trade creditors for goods and services supplied.

The average payment period for 2021 and 2020 stood at 45 and 48 days, respectively.

## **26. Covid-19 impacts**

As a result of Royal Decree 463/2020, dated March 14, 2020, which decreed a state of alarm in Spain, different measures were established to protect the health and safety of citizens, contain the progression of the disease and reinforce the public health system. In the case of Spain, on 25 October 2020 the Government declared a state of alarm throughout the national territory to contain the spread of infections caused by SARSCoV-2, by Royal Decree 926/202. On 9 November 2020, the state of alarm was extended for a period of 6 months until 00:00 hours on 9 May 2021. On the latter date, the state of alarm ended and with it began the de-escalation of certain measures restricting mobility and certain economic activities, and as the curfew came to an end.

In November 2021, a new variant of the virus called Omicron was detected, which has led to renewed lockdowns in some regions, although the impact on the Company's operations has been minimal. This variant is characterised by a higher rate of infection, although the symptoms appear to be less severe, which, together with the high vaccination rates, means that as of 31 December 2021, the Group's management considers that the pandemic situation will not worsen to a scenario such as that experienced in the first half of 2020.

Given the sector in which the Company operates, its activities are considered essential, and hence they have not been interrupted by the various measures adopted since March 2020 (states of alarm or lockdowns), especially with regard to the production activity of both the Company's production centres (located in Spain and Germany) and to the third-party manufacturers that supply certain products. There have been no supply shortages during this period.

Despite not having interrupted production activity, the Group's sales have been negatively impacted in those products for colds (due to social distancing measures) or products that were not for chronic treatments, especially due to the restriction of people's mobility, which has caused delays and cancellation of product marketing campaigns, as well as the reduction of demand at global level in the different countries in which the Group operates.

In this context it should be noted that the impact of COVID-19 in EU countries has been less than in the United States as a result of the type of product sold in each of these territories. The EU market and especially products related to chronic treatments have been the least impacted, while in the United States, where the product portfolio is of the so-called non-essential products, the drop in sales was more pronounced in 2020. Fiscal year 2021 has witnessed a rebound in prescriptions in the US, while the EU has generally returned to pre-Covid levels, with the exception of the aforementioned cold products. It should be noted that the market share of the Company's main products has not been significantly impacted and that most of the sales are in keeping with the market trend.

From the point of view of R&D activities, there have been delays, not cancellations, in some activities related to clinical trials, given the restrictions on access to hospitals that hindered the recruitment of new patients. In spite of this, Management considers that there have been no significant delays that could have an impact in the medium to long term. The registration process for Klisyri in the United States was completed in December 2020, while in the

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EU the product received regulatory approval from the European Medicines Agency (EMA) on 19 July 2021. As for Phase-III trials of Lebrikizumab, the development schedule remains on track for submission for registration with the EMA in 2022 and subsequent approval and launch in 2023.

Marketing campaigns have been the most affected due to the lockdown and measures imposed to prevent contagion. As a result, various activities such as congresses or medical sales visits have been cancelled and/or postponed. In this regard, the Company has made an effort to advance in the digitalisation of certain processes and activities in order to maintain its normal operations, while at the same time complying with the social distancing measures and restrictions on access to medical centres.

Lastly, support and administration activities have continued to be carried out by adopting certain flexibility measures at the different work centres and in accordance with the exceptional measures adopted in each country. In general, the Company have opted for teleworking for all those functions that allow it, and this has not resulted in any significant disruptions.

In the present note, the Company's Management proceeds to assess the impacts of the COVID-19 outbreak that have affected the company's operations in the EU and in the United States, which are the regions where the Group has its greatest presence.

**a. Impairment of non-financial assets**

As of 31 December 2021, no significant risks have been identified except for those already mentioned in Note 8 that are associated with the portfolio acquired in the business combination of Aqua Pharmaceuticals, LLC in 2013 (now Almirall LLC) though the participation of Almirall, Inc. Nevertheless, certain government measures to limit pharmaceutical spending in the different regions in which the Company operates, as well as a greater than expected impact of the Omicron variant on the global economy or the emergence of new variants, could force us to reconsider new scenarios in the future.

A sensitivity analysis of the main intangible assets and cash-generating units is included in Notes 8 and 4c). This analysis contemplates scenarios of both a drop in revenues and increases in the discount rate derived from an increase in the cost of financing due to the rise in interest rates on the debt markets.

As for intangible assets related to products currently under development, no additional risk has been detected due to possible delays in the various activities required for their completion, as mentioned above.

As for the tax credits recognised in the balance sheet (Note 18), the Management has reassessed the plan for the recoverability of the assets, and no indications of impairment due to the impact of COVID-19 have arisen as of 31 December 2021. However, future fiscal measures that may be adopted by the Spanish government in view of the new macroeconomic environment could significantly affect this plan, such as the recent amendment to the Spanish corporate income tax law described in the Note **Error! Reference source not found..**

Regarding the valuation of stocks, since it has been possible to sell the products without interruptions, no provision has been made for slow turnover or expiry linked to COVID-19 (Note 10).

**b. Financial assets deterioration**

In relation to accounts receivable, the Group has not seen an increase in doubtful debts in the fiscal year, and no relevant balance has been allocated for this purpose. The debt with hospitals may constitute the greatest risk due to possible cash-flow problems that the health administrations of the different countries may experience in the face of the increase in the deficit. In this regard, the Group's Management expects that any delay in payments would not significantly impact the Group's equity or liquidity, since hospital debt amounts to only 8,7% of the Group's accounts receivable as of 31 December 2021 (Note 11 **Error! Reference source not found.**).

As for the financial assets corresponding to the fair value of future long-term payments to be received from AstraZeneca (Note 9), the Company's Management has updated the projections in accordance with the methodology described in Note 4.k), and no significant impact related with COVID-19 has been observed. Nevertheless, since these flows are linked to the performance of products managed by a third party, the Group has limited visibility in the short term, and hence future revaluations of these assets could give rise to changes in the estimates that would have to be adjusted prospectively in the income statement. As regards the valuation of this asset in future years, however, account should be taken of the subsequent event described in Note 27.

**Almirall, S.A.**  
Notes to the annual accounts for 2021  
(Expressed in thousand euro)

Lastly, with regard to the Group's liquidity position, no deterioration was observed, mainly due to three factors:

- As indicated in the Note 24, the Company has no relevant maturities of financial debt until September 2026, when the senior notes issued in 2021 for a nominal amount of €300 million mature (Note **Error! Reference source not found.**). In addition, the Group has a credit facility with a limit of up to €275 million to cover possible short-term liquidity needs, and as of the end of 2021, no balance of this line of credit was drawn down.
- In relation to incoming payments, as mentioned above, there have been no delays, and therefore cash generation has not been affected.
- Finally, given the slowdown in certain activities due to the various restrictions imposed to contain the spread of the virus, the volume of payments decreased slightly as a result of the decline in the Group's overall activity.

**c. Significant uncertainties and risks associated with COVID-19**

As discussed in the previous sections, the main risks and uncertainties stem largely from the new macroeconomic environment following the pandemic, as well as the appearance of the Omicron variant or the possibility of new variants in the future.

In this regard, the main uncertainties that could significantly affect the estimates made on 31 December 2021 are as follows:

- Measures applied by the governments where the Company operates to contain pharmaceutical spending in view of the increase in the deficit and public debt generated by the exceptional measures to mitigate the effects of COVID-19. These measures could take the form of additional contributions to national health systems in the form of discounts, measures to favour the use of generic drugs to the detriment of branded drugs, application of reference prices by groups of molecules, lower reimbursement prices for new launches, among others.
- Measures applied by governments to maximize tax revenues, either in the form of tax increases or in the form of restrictions on the use or granting of tax incentives.
- Increase in the cost of debt on the markets that would hinder or limit the Company's activity and/or growth in certain geographical areas.
- Slower rate of vaccination than initially expected due to lack of resources on the part of the administrations of the different countries, problems with the supply of the vaccine or uncertainties about the effects of the vaccine on people's health. Also, the possible effectiveness of the vaccine against the virus as well as against new variants.
- New waves of the virus that could limit the growth in and/or access to certain medicines by patients and/or limitations to the sales network for medical sales visits due to new restrictions on mobility; or budgetary constraints in choosing treatment by national health systems.
- Risk of disruption of the supply chain of the relevant products due to new outbreaks that could cause a shortage on the market and consequent loss of profit.

**d. Breakdown of items related with COVID-19 in the income statement**

During the fiscal year ending on 31 December 2021, no specific activities related to COVID-19 have been carried out, apart from the continuation of the measures adopted in 2020 and the reopening of certain services that had been cancelled during the months with the highest incidence of the virus (such as the fitness centres located on the Company's premises). In fiscal year 2021, certain expenses were incurred related to the adaptation of the facilities to the new healthcare requirements and the management of personnel in view of the mobility restriction, which totalled €168 thousand euros, with no new investments worthy of note (€1,002 thousand in expenditures and €158 thousand in investments in the fiscal year 2020).

The Group has not received any government aid for exceptional COVID-19 measures, and therefore does not implement any breakdowns in accordance with IAS 20 "Accounting for government grants".

Also, all lease contracts have been paid on time as agreed, without having arranged any deferral with the lessors.

**Almirall, S.A.**  
Notes to the annual accounts for 2021  
(Expressed in thousand euro)

**27. Subsequent events**

On October 29, 2021, the Parent Company, AstraZeneca and Covis Pharma GmbH signed an agreement whereby AstraZeneca assigns to Covis Pharma GmbH the global rights of Eklira and Duaklir, which would be effective at the time when these companies complete the transaction, which finally occurred on January 5, 2022 (Note 12). As a result of this agreement, the Company, in addition to continuing to receive royalty payments under the terms initially established with AstraZeneca, will receive a fixed amount of \$ 10 million on the date on which the transaction is completed and \$40 million in different tranches until September 2023, mainly linked to certain changes in the milestone structure initially established.

Additionally, at the date of preparation of these Consolidated Annual Accounts, the Board of Directors of Almirall, S.A. has agreed to propose to the General Shareholders' Meeting the distribution of a dividend charged to unrestricted reserves in the amount of EUR 34.2 million (equivalent to 0.19 euros per share). For the purpose of this dividend distribution, it is proposed to revert to the "Flexible Dividend" shareholder remuneration system, already applied in 2021. In this way, shareholders are offered an alternative that allows them to receive bonus shares of the Parent Company without limiting their possibility of receiving in cash an amount equivalent to the payment of the dividend as indicated in Note 4.

**APPENDIX: INFORMATION ON INVESTEEES DIRECT AND INDIRECT**

Name Managment Activity	Thousand euros						
	Laboratorios Almirall, S.L. España	Laboratorios Tecnobio, S.A. España	Industrias Farmacéuticas Almirall, S.A. España	Ranke Química, S.A. España	Almirall Internacional, BV Holanda	Almirall, NV Bélgica	Almirall - Productos Farmacéuticos, Lda. Portugal
	Mediation services	Mediation services	Specialty manufacturing	Raw material manufacturing	Holding internacional	Pharmaceutical Laboratoy	Pharmaceutical Laboratoy
<b>31 December 2021</b>							
% interest held							
- Directly	100%	100%	100%	100%	100%	0,01%	-
- Indirectly	-	-	-	-	-	99,99%	100%
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration
Share Capital	120	61	1,200	1,200	52,602	1,203	1,500
Reserves	7,739	471	51,977	19,103	69,034	2,213	2,327
Net profit (loss) for the year	295	601	3,294	871	6,423	102	283
Carrying amount of interest	4,112	127	41,982	10,840	144,203	9	-
- Cost	4,112	127	41,982	10,840	144,203	9	-
- Measurement adjustments	-	-	-	-	-	-	-
<b>31 December 2020</b>							
% interest held							
- Directly	100%	100%	100%	100%	100%	0,01%	-
- Indirectly	-	-	-	-	-	99,99%	100%
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration
Share Capital	120	61	1,200	1,200	52,602	1,203	1,500
Reserves	7,326	474	48,696	18,428	56,513	2,168	2,145
Net profit (loss) for the year	360	(3)	3,378	675	12,521	46	182
Carrying amount of interest	4,112	127	41,982	10,840	121,637	9	-
- Cost	4,112	127	41,982	10,840	144,203	9	-
- Measurement adjustments	-	-	-	-	(22,566)	-	-

Note: All information on the companies has been obtained from their separate annual accounts. Therefore it does not reflect the effect that would apply from consolidating the investments. Excluding unconsolidated dormant companies.

Name Management Activity	Thousand euros						
	Almirall, BV Holanda	Almirall Europa Derma S.A. España	Almirall Limited Reino Unido	Almirall, S.A.S. Francia	Almirall SP, Z.O.O. Polonia Marketing pharmaceutical specialties	Almirall GmbH Austria	Almirall, AG Suiza License management and marketing of raw materials
<b>31 December 2021</b>							
% interest held							
- Directly	-	-	-	-	-	100%	100%
- Indirectly	100%	100%	100%	100%	100%	-	-
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration
Share Capital	4,000	61	571	12,527	12	36	901
Reserves	2,768	173	11,648	21,335	1,444	2,121	3,154
Net profit (loss) for the year	352	(1)	404	1,535	16	242	1,005
Carrying amount of interest	-	233	-	-	-	1,485	10,628
- Cost	-	261	-	-	-	1,485	10,628
- Measurement adjustments	-	(28)	-	-	-	-	-
<b>31 December 2020</b>							
% interest held							
- Directly	-	-	-	-	-	100%	100%
- Indirectly	100%	100%	100%	100%	100%	-	-
% voting rights	100%	100%	100%	100%	100%	100%	100%
Consolidation method	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration
Share Capital	4,000	61	571	12,527	12	36	901
Reserves	2,586	178	10,263	19,913	1,438	1,851	2,168
Net profit (loss) for the year	182	(5)	579	1,422	17	270	514
Carrying amount of interest	-	234	-	-	-	1,485	10,628
- Cost	-	261	-	-	-	1,485	10,628
- Measurement adjustments	-	(27)	-	-	-	-	-

Note: All information on the companies has been obtained from their separate annual accounts. Therefore it does not reflect the effect that would apply from consolidating the investments. Excluding unconsolidated dormant companies.

**APPENDIX: INFORMATION ON INVESTEEES DIRECT AND INDIRECT**

Name Management Activity	Thousand euros					
	Almirall SpA Italia Pharmaceutical Laboratoy	Almirall Hermal, GmbH Alemania Pharmaceutical Laboratoy	Almirall Aps Dinamarca Pharmaceutical Laboratoy	Almirall Inc USA Pharmaceutical Laboratoy	Subgrupo (*) Almirall LLC  USA Pharmaceutical Laboratoy	Poli Group Holding, S.R.L. Italia  Holding
<b>31 December 2021</b>						
% interest held						
- Directly	-	100%	100%	100%	-	100%
- Indirectly	100%	-	-	-	100%	-
% voting rights	100%	100%	100%	100%	100%	100%
Consolidation method	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration
Share Capital	8,640	25	17	-	-	31
Reserves	51,585	22,421	2,695	576,559	489,660	46,792
Net profit (loss) for the year	3,192	25,804	354	(155,047)	(114,272)	(65)
Carrying amount of interest	-	359,270	17	426,991	-	380,270
- Cost	-	359,270	17	736,494	-	380,270
- Measurement adjustments	-	-	-	(309,503)	-	-
<b>31 December 2020</b>						
% interest held						
- Directly	-	100%	100%	100%	-	100%
- Indirectly	100%	-	-	-	100%	-
% voting rights	100%	100%	100%	100%	100%	100%
Consolidation method	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration	Global Integration
Share Capital	8,640	25	17	-	-	31
Reserves	39,853	(7,516)	2,486	444,740	306,340	46,870
Net profit (loss) for the year	11,732	25,799	207	(82,468)	(19,426)	(78)
Carrying amount of interest	-	359,270	17	380,783	-	380,270
- Cost	-	359,270	17	550,267	-	380,270
- Measurement adjustments	-	-	-	(169,484)	-	-

Note: All information on the companies has been obtained from their separate annual accounts. Therefore it does not reflect the effect that would apply from consolidating the investments. Excluding unconsolidated dormant companies.

(\*) Includes the Companies holding Aqua Pharmaceutical Holdings Inc and Almirall LLC (called Aqua Pharmaceuticals LLC).



	Thousand euros	
Name	Polichem, S.A.	Polichem, S.R.L.
Management	Luxemburgo/ Suiza/China	Italia
Activity	Pharmaceutical Laboratoy	Pharmaceutical Laboratoy
<b>31 December 2021</b>		
% interest held		
- Directly	-	-
- Indirectly	100%	99,6%
% voting rights	100%	100%
Consolidation method	Global Integration	Global Integration
Share Capital	1,351	540
Reserves	168,767	5,658
Net profit (loss) for the year	23,921	985
Carrying amount of interest	-	-
- Cost	-	-
- Measurement adjustments	-	-
<b>31 December 2021</b>		
% interest held		
- Directly	-	-
- Indirectly	100%	99,6%
% voting rights	100%	100%
Consolidation method	Global Integration	Global Integration
Share Capital	1,351	540
Reserves	126,574	4,223
Net profit (loss) for the year	33,712	1,435
Carrying amount of interest	-	-
- Cost	-	-
- Measurement adjustments	-	-

# Almirall, S.A.

## **Directors' report**

(Year ended December 31, 2021)

*(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails).*

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## **1. Summary. Main achievements**

The 2020 financial year was characterized by the impact of the COVID-19 pandemic on the world and the financial year 2021 was still affected by the impact of the COVID-19 pandemic, although normality is gradually returning to normal in the various geographies where the Company companies operate, as vaccination campaigns are progressing and mobility restrictive measures are being relaxed. However, the appearance of the new "Omicron" variant at the end of 2021 again added uncertainties, although it seems that its severity, despite the increase in cases, has been much less than in previous waves, so the impact on the Company's activity has not been significant for the time being.

Given the sector in which the Company operates, its activity is considered essential and therefore has not been interrupted by the various measures taken since March 2020 (states of alarm or confinements), especially as regards the production activity of the Company's production centers located in Spain and third-party manufacturers supplying certain products. There have been no shortages during this period.

Despite not having interrupted production activity, the Company's sales have been negatively impacted in products indicated for cold symptoms (due to social distancing measures and the use of masks) and products not indicated for chronic treatments, mainly due to the restriction of people's mobility, which has had an impact both in terms of delay and cancellation of product promotion activities, as well as in the reduction of demand at global level in the different countries in which the Company operates.

In this context it should be noted that the impact of COVID-19 in the EU countries has been less than in the United States as a result of the type of product sold in each of these territories, being in the EU market and especially in the products related to chronic treatments those that have been less impacted and in the United States where the product portfolio is of the so-called non-essential products where the drop in sales was more pronounced in 2020. The year ending December 31, 2021 has seen a recovery in prescriptions in the US, while the EU has generally returned to pre-COVID 19 levels, with the exception of the aforementioned cold products. It should be noted that the market share of the Company's main products has not been significantly impacted and that most of the sales are in line with market developments.

From the point of view of R&D activities, there have been delays, not cancellations, in some activities related to clinical studies, given the restrictions on access to hospitals that made it difficult to recruit new patients. However, Management considers that there have been no significant delays that could affect the medium to long term. The registration process for Klisyri in the United States was completed in December 2020, while in the EU, approval was obtained from the European Medicines Agency (EMA) on July 19, 2021. As for Phase III Lebrikizumab, the development timeline remains on track with EMA registration submission in 2022 and subsequent approval and launch in 2023.

Promotional activities have been the most affected due to the confinement and the measures imposed to prevent contagion. As a result, various activities such as congresses, events and medical visits have been cancelled and/or postponed. In this regard, the Company has made an effort to advance in the digitalization of certain processes and activities in order to maintain the activity and, at the same time, comply with the social distancing measures and restrictions on access to medical centers.

Finally, support and administration activities have continued to be carried out by adopting certain labor flexibility measures in the different work centers and in accordance with the exceptional measures established in each country. In general, teleworking has been chosen in all those functions that allowed it without significant disruption.

The dividend proposed by the Board of Directors on February 18, 2021 was approved by the General Shareholders' Meeting held on May 7, 2021. The dividend payment has been instrumented as a flexible dividend in which shareholders have been offered a choice between receiving newly issued Company shares or the cash amount equivalent to the dividend. The cash payment was chosen by 35.6% of the shareholders rights (resulting in a disbursement of EUR 11.7 million) and the remaining 64.4% opted to receive new shares at unit par value that were issued as a capital increase. On June 11, 2021, 1,661,175 new shares of the Company were admitted to trading on the Barcelona, Madrid, Bilbao and Valencia stock exchanges.

From a liquidity point of view, COVID-19 has not had a significant impact on the Company. The year ended with a cash position amounting to EUR 161.1 million (EUR 133.7 million as of December 31, 2020). This evolution is explained by:

- Solid cash flow from operating activities (EUR +123.7 million), mainly as a consequence of the result of the year and the collection of the CIT related to 2019 and 2020 fiscal years.

- Net payments from investment activities (EUR -25.8 million) mainly resulting from the license agreement signed with Winzora, Ilumetri and Klisyri as described in Note 5 of the accompanying Annual Accounts partially offset by the royalties collection linked to the agreement reached with AstraZeneca.
- Net payments from financing activities (EUR -70.8 million) as a result of the repayment of debt and the Convertible Bond described in Note 15 of the attached annual accounts partially compensated by the issuance of simple senior notes and collections of short-term debts with group companies.

## **2. COVID-19 impacts**

Note 26 of the accompanying Annual Accounts summarizes the main impacts of COVID-19 in year 2021.

## **3. Corporate development**

During the year ended December 31, 2021, the following corporate development agreements and relevant facts have taken place:

- On February 17, 2021 MC2 Therapeutics granted the Company the marketing rights in Europe for Wynzora® cream for the treatment of plaque psoriasis. Wynzora® cream (50 µg / g calcipotriol and 0.5 mg / g betamethasone as dipropionate) received FDA approval in the United States on July 20, 2020 and completed the marketing authorization procedure (MAA) in Europe in July 2021.
- On March 16, 2021, it was announced that, following the 60-day data review period, Almirall decided not to exercise its option right to acquire Bioniz Therapeutics Inc. Under the terms of the Option Agreement, Almirall made an initial payment of \$15 million to Bioniz in exchange for an option to acquire all shares of Bioniz Therapeutics Inc. Following the decision not to exercise the option, Almirall will not be required to make any further payments based on this agreement.
- On May 21, 2021, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) issued a positive opinion regarding the regulatory approval of Klisyri® (tirbanibulin), indicated for the topical treatment of actinic keratosis (AK) on the face or scalp. Subsequently, final approval was obtained on July 19. In December 2020, Almirall's development partner, Athenex, Inc. received approval from the U.S. Food and Drug Administration (FDA) to market Klisyri® (tirbanibulin) in the United States.
- On July 1, 2021, Kaken Pharmaceutical granted Almirall exclusive rights to develop and commercialize efinaconazole topical solution in Europe. This active ingredient, an antifungal from the triazole family discovered by Kaken Pharmaceutical, is indicated for the treatment of onychomycosis, a fungal infection of the nail. The Company plans to hold a meeting with the regulatory authorities prior to the application for marketing authorization of the product in Europe within the next 12 months.
- On August 16, 2021, the Company announced that Lebrikizumab produced a significant improvement of at least 75% in skin clearance in more than half of patients with moderate to severe atopic dermatitis (AD), as measured by the Eczema Area and Severity Index (EASI), in the Phase 3 ADvocate 1 and ADvocate 2 studies. In the top-line results of these two monotherapy studies in patients with AD, all primary and all major secondary endpoints, including skin clearing and improvement in itching, were met at week 16 of treatment.
- On September 13, 2021 the Company agreed to carry out an issue of senior unsecured debentures, with a maximum aggregate nominal amount of EUR 250 million (extendable to EUR 300 million depending on market conditions) and maturing in 2026 (the "Debentures"). The Notes would be senior notes secured by joint and several personal guarantees provided by certain subsidiaries. This transaction was finally closed on September 22 for an amount of EUR 300 million and with a fixed interest rate of 2.125%. The main purpose of this issue was the payment of the Convertible Bond in the amount of EUR 250 million maturing on December 14, 2021.
- On November 1, 2021 AstraZeneca agreed to transfer the global rights to Eklira (aclidinium bromide), known as Tudorza in the US, and Duaklir (aclidinium bromide/formoterol) to Covis Pharma Group. The Company will continue to receive milestone and royalty payments under the agreement initially signed with AstraZeneca. This transaction was finally completed on January 5, 2022, for which the Company will receive a payment of \$50 million, which is primarily linked to certain changes in the milestone structure initially agreed with AstraZeneca. The expected revenue and cash receipt will be recognized over the next few years.
- On December 14, 2021 Almirall and Ichnos Science announced the exclusive license agreement for ISB 880, an IL-1RAP antagonist. Under the agreement, the Company has acquired global rights to develop and commercialize this monoclonal antibody for autoimmune diseases. Ichnos will retain the rights to antibodies targeting the IL-1RAP pathway for oncology indications.

- On December 21, 2021, the Company announced that Lebrikizumab significantly improved disease severity when combined with topical corticosteroids (TCS) in people with moderate to severe atopic dermatitis (AD) in a third pivotal Phase III trial (ADhere). At week 16, the study met all primary and key secondary endpoints.

#### **4. Evolution of key figures in the income statement**

- Net revenues amounted to EUR 520.2 million, in line with the previous year (EUR 519.7 million) due to the good performance of the domestic and export markets, despite the lower contribution of income from dividends and interest from Group companies, which amounted to EUR 52 million in the previous year (EUR 10.7 million in the current year), as explained in Note 19 to the accompanying financial statements.
- Other income decreased to EUR 62.3 million (-20%), mainly due to the decrease in accrued income from the agreement with AstraZeneca, as explained in Note 13 to the accompanying financial statements.
- Operating expenses increased by 11%, mainly due to increased promotional activity as restrictions linked to COVID-19 were lifted and an increase in royalties linked to the licenses detailed in Note 5 to the accompanying Financial Statements.
- Personnel expenses have increased by 13% mainly as a result of additions to the long-term compensation provision, as explained in Note 14 to the accompanying Financial Statements.
- The heading "Impairment on disposal of fixed assets and investments in Group companies" in the accompanying Income Statement includes in 2021 and 2020 the impairment of the shareholding in Almirall, Inc. mainly, as explained in Note 8 to the accompanying Financial Statements.
- The financial result amounted to 4 thousand euros due to the positive exchange differences caused mainly by the fluctuation of the U.S. dollar.
- Finally, the income tax caption includes the impact of the amendment to the Corporate Income Tax Law as explained in Note 18 to the accompanying Financial Statements.
- As a result of the above, operating income and net income have decreased to a loss of EUR 38.2 million and EUR 56.8 million, respectively.

#### **5. Balance sheet. Financial position**

The main variations of the Balance sheet as of December 31, 2021 compared to December 31, 2020 are described below:

- Intangible assets have increased due to the investments related to license agreements with Ichnos Sciences and MC2 Therapeutics among others mentioned in Note 8 of the accompanying Financial Statements, net of amortization for the year.
- The caption Long-term investments in group and associated companies has decreased mainly as a result of the impairment mentioned above in relation to the investee company Almirall, Inc.
- Inventories have decreased due to new launches and the construction in previous years of safety inventories as a result of the reorganization of production between the different centers of the Group of which the Company is the parent company.
- Deferred tax assets have decreased due to the aforementioned impact of the amendment to the Corporate Income Tax Law as explained in note 18 to the accompanying Financial Statements.
- Accounts receivable have decreased mainly due to collection of corporate income tax for the fiscal years 2019 and 2020.
- Financial debt decreased mainly due to the cancellation of the syndicated loan (EUR 150 million) and the Convertible Bond (EUR 250 million), partially offset by the issuance of senior plain vanilla bonds (EUR 300 million).
- Non-current liabilities (excluding financial debt) decreased mainly due to the recognition in the income statement of deferred income, as mentioned in Note 13 to the accompanying financial statements.
- Current liabilities (excluding financial debt) have increased mainly due to the amount payable of EUR 20.8 million linked to the signing of the license agreement with Ichnos Science mentioned above and which at December 31, 2021 was pending payment.

#### **6. Financial risk management and use of hedging instruments**

The Company's activities are exposed to various types of financial risk: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management program focuses on uncertainty in financial markets and seeks to minimize the potential adverse impact on its financial profitability.

Risk management is controlled by the Company's Treasury Department which identifies, evaluates and hedges against financial risks in accordance with the policies approved by the Board of Directors. The Board provides written policies for overall risk management and for specific areas such as foreign currency risk, interest rate risk, liquidity risk, use of derivatives and non-derivatives and investment of surplus liquidity.

#### Interest rate risk

At December 31, 2021 most of the Company's debt is at a fixed rate, minimizing the risk of a possible increase in interest rates. As described in Note 15, the main debt instruments are as follows:

- On September 22, 2021, the Company, has proceeded to the issuance of senior unsecured notes for an aggregate nominal amount of EUR 300 million, with an annual fixed interest rate of 2.125% and maturing on September 22, 2026.
- On July 17, 2020, the Company entered into a revolving credit facility, amounting to EUR 275 million, for an initial term of 3 years with the possibility of an extension of 1 additional year (such renewal has been granted effective June 30, 2021, effective July 17, 2021, therefore maturing in July 2024) and intended for general corporate purposes. This policy accrues a variable interest rate tied to Euribor. At December 31, 2021, the Company had no amount drawn on this policy.
- On March 27, 2019, the Company formalized a loan with the European Investment Bank (EIB) for up to EUR 120 million to finance its research and development efforts, with the aim of offering cutting-edge innovation and differentiated therapies in the area of medical dermatology. The first tranche of EUR 80 million was granted on April 17, 2019 at a fixed interest rate of 1.35%, with 32 equal principal repayments between April 17, 2021 and April 17, 2029, the latter being the final maturity. Due to the issuance of new debt, the interest rate is increased by 0.30% temporarily, resulting in an interest rate of 1.65%.

#### Foreign currency risk

The Company is exposed to exchange rate risk in certain transactions derived from its activity. These are mainly collections in dollars corresponding to sales of finished products, collections and payments derived from the operation with AstraZeneca, payments in dollars derived from license agreements with Athenex, Dermira or Sun Pharma, payments in dollars for clinical trials, purchases of raw materials and royalty payments in yen and dollars, as well as collections and payments made by the subsidiaries in the United States, United Kingdom, Poland, Switzerland and Denmark in their local currency. The most relevant foreign currency in which the Company operates is the US dollar.

The Company analyzes quarterly the forecasts of collections and payments in foreign currencies as well as their evolution and trend. During the last few years, the Company has reduced its exposure to exchange rate risk in those commercial transactions of greater volume, by contracting specific exchange rate insurance to cover payments in yen for the purchase of raw materials, and to cover cash inflows in USD for collections.

Until November 24, 2021, the Company is the borrower of a loan between companies of the group, with Almirall, Inc., in USD. Said loan has not been hedged since July 1, 2020 it has been considered as more value of the investment and, therefore, the exchange differences generated from that moment have been recorded in the translation differences section of the equity. On November 24, 2021 Almirall, S.A. proceeded to capitalize the nominal amount of said loan together with the interest pending to be paid, therefore as from that date no additional exchange difference has been generated in the Company.

#### Liquidity risk

The Company determines cash requirements using two fundamental forecasting tools that vary in terms of their time horizon.

On the one hand, a one-year monthly cash budget is established based on the forecast financial statements for the current year, from which the variances are analyzed monthly. On the other hand, 24-month forecasts are set up, which are updated monthly.

On the other hand, medium and long-term liquidity planning and management is based on the Company's Strategic Plan covering a five-year time horizon.

Cash surpluses in foreign currency are invested in deposits in those cases where there is a provision to make payments in that currency, mainly US dollars.



The financing instruments include a series of "covenants" which in the event of non-compliance would imply the immediate enforceability of such financial liabilities. The Company periodically evaluates such compliance (as well as future expectations of compliance in order, where appropriate, to be able to take corrective action). As of December 31, 2021, all "covenants" are fulfilled, as mentioned in Note 15 of the accompanying financial statements.

The Company performs prudent liquidity risk management, maintaining sufficient cash and marketable securities, as well as the hiring of credit facilities committed enough to meet the intended needs.

#### Credit risk

The Company manages credit risk through an individual analysis of the items that make up the accounts receivable. As preventive measures, credit limits are established for sales made to wholesalers, pharmacies and local licensees. With regard to hospital sales, given its reduced weight, the subsequent collection management is carried out directly, once the debt is due.

The amounts that are considered uncollectible, once all the relevant collection procedures have been carried out, are provisioned at 100%. The balance of the provision at year-end 2021 and 2020 amounts to Euros 461 thousand and Euros 725 thousand, respectively, as described in Note 11 of the accompanying financial statements.

In relation to the deterioration of financial assets due to credit risk, the Company invests mainly in very short-term variable rate instruments in entities with a high credit rating, in order to minimize any credit risk.

The Company does not have significant credit risk, both treasury placements and, where appropriate, contracting derivatives with highly solvent financial institutions. As of December 31, 2021, there are no derivatives contracted with financial institutions.

### **7. Risk factors**

Risk factors worthy of mention that may affect the achievement of the business objectives are the following:

- Price reductions or volume limitations for existing products and difficulties in obtaining the prices or reimbursement conditions requested for new releases by decisions of the health authorities, with the consequent impact on sales forecasts.
- Erosion of turnover and loss of market share due to the progressive entry of generics.
- Cyber-attacks or security incidents that may allow access to confidential information or cause a disruption of business activities.
- Impairment of intangible assets and goodwill due to income flows below those projected.
- Pipeline of R&D not sufficiently balanced and differentiated in its different phases to nourish the product portfolio.
- Prolonged and higher than expected impact of COVID-19.

Additionally, Note 26 of the attached Annual Accounts details additional risks related to COVID-19. In the Non-financial Information Statement attached to the Consolidated Annual Accounts of Almirall, SA and dependent companies, the risk management system of the Group of which the Company is the head is explained in section 1.5.

### **8. Treasury stock**

The Company maintains a liquidity contract with a financial intermediary, effective as of March 4, 2019, with the objective of increase and stability in the share price of the Company, within the limits established by the General Meeting of Shareholders and by current regulations, in particular, Circular 1/2017, of April 26, of the National Securities Market Commission, on liquidity contracts. Said contract assumes that the Company owns, at December 31, 2021, treasury stock representing 0.08% of the share capital and a global nominal value of EUR 16.8 thousand and which have been registered in accordance with IFRS-EU. The average acquisition price of these shares has been EUR 11.3 per share. The shares of the Company in its possession are intended to negotiate in the market.



## **9. Staff costs**

The Company's average headcount numbered 570 employees during 2021.

## **10. Average payment period**

The Company's average payment period to suppliers and creditors during 2021 was 45 days.

## **11. Outlook for 2022**

The 2022 financial year is expected to see a continuation of the business progress seen in 2021, continuing the planned product launches and the development of the research pipeline. Note 26 of the accompanying Financial Statements and this management report describe the main impacts of the 2021 financial year as well as the risks and uncertainties facing the Company.

With regard to new products, Klisyri is expected to be launched in 2022 in most of the European Union (following the launch in 2021 in Germany and the United Kingdom). In addition, Wyzora will also be launched in Europe and Ilumetri is expected to continue to grow in the various markets where it is present.

In terms of R&D activities, the company expects to complete Phase 3 of Lebrikizumab and subsequently file the registration for Europe in the second half of 2022. In addition, we expect to continue developing the pipeline in preclinical and clinical phases with innovative treatments for dermatology.

Finally, the Company's management continues to focus on opportunistic M&A transactions that fit in with the Company's commercial strategy, always with a prudent financial attitude.

## **12. Corporate Governance Report / Directors' Remuneration Report**

The Corporate Governance report and the Directors' Remuneration Report are attached to the Consolidated Management Report of Almirall, S.A. and subsidiaries.

## **13. Capital structure. Significant ownership interests**

The share capital of the Company as of December 31, 2021 is represented by 179,776,802 shares with a par value of EUR 0.12, fully subscribed and paid up.

In Note 12 of the attached Annual Accounts the movement of capital during the fiscal year 2021 is detailed, the increase of which is due to the flexible dividend paid in the year.

Shareholders with significant ownership in the capital stock of Almirall, S.A. both direct and indirect, greater than 3% of the share capital, of which the Company is aware, according to the information contained in the official records of the National Securities Market Commission as of December 31, 2021 and December 31 of 2020, are the following:

<i>Name of direct holder of the ownership interest</i>	<i>% interest 31/12/2021</i>
Grupo Plafin, S.A.	40.9%
Grupo Corporativo Landon, S.L.	18.8%
Wellington Management	5.1%
Artisan Partners Asset Management Inc.	3.6%
<b>Total</b>	<b>68.4%</b>

On December 31, 2021 and 2020, the Company is unaware of there being other ownership interests of 3% or more in the share capital or voting rights of the Company, or other interests which, despite being less than this percentage, enable the holder to exercise a significant influence over the Company.

#### **14. Side agreements and restrictions on transferability and voting rights**

The Company has entered into one side agreement, which was reported to the CNMV and which may be consulted in full on the following web site [www.almirall.com](http://www.almirall.com), subscribed by Mr. Antonio Gallardo Ballart and Mr. Jorge Gallardo Ballart, which regulates the concerted action of its signatories in Almirall, SA and the exercise of the voting rights inherent to its indirect participation in the Company through the company Grupo Plafin, S.A.U., on the one hand, and Todasa, S.A.U. (Today Corporate Group Landon, S.L.), of another.

The Articles of Association impose no restrictions on the transferability of the shares of the Company, and neither are there any restrictions on voting rights pursuant to the Articles of Association or regulations.

#### **15. Governance bodies, Board of Directors**

##### **Appointment of directors**

The directors are appointed (i) upon proposal by the Appointments and Remuneration Committee, in the case of independent directors, and (ii) following a report by said Committee in the case of other directors, by the General Shareholders' Meeting or by the Board of Directors in accordance with the provisions of the Spanish Companies Law.

Newly appointed directors are required to complete the Company's orientation course for new directors so that they can rapidly build up sufficient knowledge of the Company and of its corporate governance rules.

As for the appointment of external directors, the Board of Directors seeks to ensure that the candidates chosen are persons of recognized solvency, competence and experience. Particular care is taken in relation to those called upon to fill the independent director positions envisaged in Article 6 of the Board Regulations.

Directors proposed for re-appointment must refrain from participating in the deliberations and voting procedures concerning them.

Directors hold office for the term stipulated by the General Meeting, which is equal for all and may not exceed four years, at the end of which they may be re-elected one or more times for periods of the same maximum duration.

##### **Replacement of directors**

Directors cease to hold office when the period for which they were appointed has elapsed and when a decision to this effect is adopted by the General Meeting, exercising the powers attributed to it by law or by the Articles of Association. In any event, the appointment of directors expires when, once its term has elapsed, the following General Meeting has been held, or the legal time limit for holding the General Meeting to approve the accounts for the previous year has passed.

The Board of Directors may only propose the removal of an independent director before the expiry of the statutory term when there is due cause, acknowledged by the Board following a report by the Appointments and Remuneration Committee. In particular, due cause is understood to exist when a director has breached the duties inherent to his/her position or has come to be in any of the circumstances which bar him/her from holding this office, as described in the definition of independent director contained in corporate governance recommendations applicable at the time.

Directors who are the subject of removal proposals must refrain from participating in the deliberations and voting procedures concerning them.

The directors are required to tender their resignation to the Board of Directors and formalize such resignation, where the Board considers this appropriate, in the following cases:

- a) Where they cease to hold the executive posts with which their appointment as directors was associated.
- b) Where they find themselves in any of the situations of incompatibility or barring from office stipulated by law.
- c) When seriously reprimanded by the Board of Directors for failing to discharge their obligations as directors.

- d) When their remaining on the Board could jeopardize or prove detrimental to the interests, credit or reputation of the Company or when the reasons for which they were appointed cease to apply (for example, when a nominee director sells their shareholding in the Company).
- e) In the case of independent directors, they may not remain in such positions continuously for more than 12 years; therefore, once this period has elapsed, they must tender their resignation to the Board of Directors and formally withdraw.
- f) In the case of nominee directors, (i) when the shareholder they represent sells its entire shareholding and, similarly, (ii) in the requisite number, when such shareholder reduces its shareholding to a level which requires the number of nominee directors to be reduced.

In the event that, due to resignation or for any other reason, a director leaves office before the end of their term, they are required to explain the reasons in a letter sent to all the Board members.

#### Amendment of the Company's bylaws

Amendments to the bylaws are a competence of the General Meeting and are regulated by Article 160 of the Spanish Companies Law and other related legislation. There are no special provisions of relevance in this respect in either the bylaws or the General Meeting Regulations.

#### Powers of the members of the Board of Directors

The Chief Executive Officer of the Company has delegated to him certain powers of the Board of Directors as per the deed authorized by the Notary Public of Barcelona Mr. Enrique Viola Tarragona on May 20, 2021.

Similarly, powers have been granted to Mr. Jorge Gallardo Ballart in the public deed executed before the Barcelona Notary Mr. Enrique Viola Tarragona on June 2, 2011.

### **16. Significant agreements**

There are no significant agreements with regard to changes in the control of the Company or between the Company and its Directors and Managers or Employees with respect to indemnities for dismissal, resignation, or public takeover bids.

### **17. Subsequent events**

On October 29, 2021, the Company, AstraZeneca and Covis Pharma GmbH signed an agreement whereby AstraZeneca assigns to Covis Pharma GmbH the global rights of Eklira and Duaklir, which would be effective at the time when these companies complete the transaction, which finally occurred on January 5, 2022. As a result of this agreement, the Company, in addition to continuing to receive royalty payments under the terms initially established with AstraZeneca, will receive a fixed amount of \$ 10 million on the date on which the transaction is completed and \$40 million in different tranches until September 2023, mainly linked to certain changes in the milestone structure initially established.

Additionally, at the date of preparation of these Annual Accounts, the Board of Directors of Almirall, S.A. has agreed to propose to the General Shareholders' Meeting the distribution of a dividend charged to unrestricted reserves in the amount of EUR 34.2 million (equivalent to 0.19 euros per share). For the purpose of this dividend distribution, it is proposed to revert to the "Flexible Dividend" shareholder remuneration system, already applied in 2021. In this way, shareholders are offered an alternative that allows them to receive bonus shares of the Company without limiting their possibility of receiving in cash an amount equivalent to the payment of the dividend.

### **18. Non-financial information report**

The non-financial information statement has been published within the Consolidated Annual Accounts of Almirall, S.A. and dependent companies.